Daily Report

Central Eurasia

FBIS-SOV-96-105
Thursday
30 May 1996

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
Central Eurasia

FBIS-SOV-96-105 *30 May 1996*

CONTENTS

NOTICE: An * indicates material not previously disseminated in electronic form.

PRESIDENTIAL ELECTION ISSUES

Russia: Yeltsin Arrives in Ufa, Speaks at Rock Festival *[Moscow RTV]* 1
Russia: Yeltsin Offers Bashkir Villagers Economic Independence *[ITAR-TASS]* 1
Russia: Yeltsin Announces End to Fund-Raising Campaign *[ITAR-TASS]* 2
Russia: Zyuganov Says Yeltsin's Chechen Trip More Form Than Content *[Moscow NTV]* 2
Russia: Yeltsin Chechnya Visit Seen as Electioneering Ploy *[SELSKAYA ZHIZN 30 May]* 3
Russia: Chernomyrdin Voices Confidence in Yeltsin Election Victory *[ITAR-TASS]* 3
Russia: Grachev Says 90% of Troops To Support Yeltsin in Election *[ITAR-TASS]* 4
Russia: Gromov Issues Statement in Support of Yeltsin *[St. Petersburg TV]* 4
Russia: Yeltsin Aide Says Communists Working Out Options To Seize Power *[INTERFAX]* 5
Russia: Candidate Zyuganov Gets Mixed Reaction in Stavropol *[Moscow RTV]* 5
Russia: Lebed Reportedly Rules Out Election Deals *[KOMSOMOLSKAYA PRAVDA 30 May]* 5
Russia: Pollster Interviewed on Trends in Voting Intentions *[ROSSIYSKIYE VESTI 29 May]* 8
Russia: Moscow Information Center Schedule for 16 Jun Polls *[INTERFAX]* 9
Russia: Tally of Duma Vote on Election Monitoring *[SOVETSKAYA ROSSIYA 21 May]* 9
Russia: Election Campaign Effect on Securities Cited *[ROSSIYSKIYE VESTI 29 May]* 11

INTERREGIONAL AFFAIRS

CIS: ITAR-TASS Carries Press Review for 30 May 12
CIS: Integration Not Against Russia's Interests *[ROSSIYSKAYA GAZETA 25 May]* 13
CIS: Stroyev Cited on New Interparliamentary Committee *[RABOCHAYA TRIBUNA 29 May]* 14
CIS: Russian Customs Chief on Emergent CIS Customs Union *[ROSSIYSKAYA GAZETA 25 May]* 14
CIS: Kuchma Addresses Communication Council Conference *[UKRINFORM]* 15

RUSSIA INTERNATIONAL AFFAIRS

Russia: NATO's Angeli on Ties With Ukrainian, Russian Navies *[KRASNAYA ZVEZDA 29 May]* .. 16
Russia: Fleet Issues May Scuttle Yeltsin Pre-Vote Visit to Ukraine *[NEZAVISIMAYA GAZETA 29 May]* 16
Russia: Primakov's Latin American Trip Viewed as Watershed *[MOSKOVSKIYE NOVOSTI 26 May]* 17
Russia: Primakov Comments on Bosnia, Jerusalem *[INTERFAX]* 18
Russia: Moscow Awaits Results of Israeli Election *[INTERFAX]* 18
Russia: Seleznev, Mongolian President Discuss Chechen Peace *[ITAR-TASS]* 19
Russia: Russian Radio Assesses Delegation's Visit to DPRK *[Moscow International]* 19
Russia: Arrest of Russians in Canada Seen Linked to UK Spy Case *[IZVESTIYA 30 May]* 20
Russia: No Case for Expelling Alleged 'U.S. Agent' *[IZVESTIYA 29 May]* 20
Russia: Yeltsin Receives German Finance Minister Waigel *[ITAR-TASS]* 22
Russia: Official Denies Any Moscow Compromise on Karadzic *[SEGODNYA 29 May]* 22
Russia: Official Denies Primakov To Hand Over Karadzic *[INTERFAX]* 22

RUSSIA NATIONAL AFFAIRS

Political Issues

Russia: Yeltsin Replies to Readers' 'Awkward' Questions *[ROSSIYSKIYE VESTI 29 May]* 24
Russia: Yeltsin Shows 'Best Qualities' of President on Chechnya *[ROSSIYSKAYA GAZETA 30 May]* 26

Russia: Christian Democrat Aksyuchits Interviewed *[PRAVDA 22 May]* 26

Military Issues

Russia: Yeltsin 'Satisfied' With Defense Minster, Officials *[ITAR-TASS]* 28
Russia: Gromov Seen as Most Likely To Replace Grachev *[MOSKOVSKIYE NOVOSTI 26 May-2 Jun]* 29
Russia: No Comment From Gromov on Rumored Defense Minister's Post *[Moscow NTV]* 29
Russia: Lebed Seen as 'Natural' for Defense Minister's Post *[ARGUMENTY I FAKTY 29 May]* 30
Russia: Yeltsin Outlines Planned Military Doctrine Refinements *[Moscow ORT]* 30
Russia: Yeltsin: Defense Factor Determines Global Position *[ITAR-TASS]* 31
Russia: Yeltsin Promises Support for Defense Complex *[INTERFAX]* 31
Russia: Yeltsin Signs Edict on Military Service Discharge *[INTERFAX]* 32
Russia: Yeltsin Edict Establishes "MAPO" Aviation Complex *[NEZAVISIMAYA GAZETA 29 May]* 32
Russia: Chernomyrdin Meets With Border Guards Personnel *[KRASNAYA ZVEZDA 30 May]* 33
Russia: Arms Industry Chiefs Introduced to New Ministry *[Moscow RTV]* 33

Federal Assembly

Russia: Legislative, Regulatory Documents 19-25 May *[FBIS Report]* 34
Russia: Duma Ratifies Convention on Interparliamentary Assembly *[ITAR-TASS]* 36

Regional Affairs

Russia: Yeltsin Comments on Meetings With Yandarbiyev *[Moscow RTV]* 37
Russia: Yeltsin Praises Troops for Chechen Operation *[INTERFAX]* 37
Russia: Ingush President Reports Yandarbiyev 'Very Pleased' *[IZVESTIYA 30 May]* 38
Russia: Chechen Chief Basayev Criticizes Leader Over Moscow Talks *[INTERFAX]* 38
Russia: Intelligence Reports Say Chechen Rebel Basayev Moved Base *[INTERFAX]* 38
Russia: Yeltsin 'Maneuvers' Could Aggravate Chechnya Situation *[PRAVDA 30 May]* 39
Russia: Politicians View Prospects of Peace Settlement in Chechnya *[MOSKOVSKIY KOMSOMOLETS 29 May]* 39
Russia: Prominent Russians Comment on Chechnya Accords *[TRUD 29 May]* 40
Russia: Chernomyrdin Creates Commission on Chechen Settlement Talks *[INTERFAX]* 41
Russia: Tikhomirov To Head Federal Panel on Chechen Military Issues *[ITAR-TASS]* 42
Russia: Chechen Official Says Power-Sharing Treaty Subject to Talks *[INTERFAX]* 42
Russia: Chechen Rebel Chief of Staff Orders Cease-Fire *[ITAR-TASS]* 42
Russia: Federal Troops To Extend Moratorium on Fighting Until 1 Jun *[ITAR-TASS]* 42
Russia: Downing of Russian Helicopter in Chechnya Reported *[Moscow RTV]* 43
Russia: Chechen Premier Says No Vacancies in Chechen Government *[INTERFAX]* 43
Russia: Chechnya To Receive R960 Billion in Reconstruction Aid *[INTERFAX]* 43
Russia: Chernomyrdin Arrives in Chelyabinsk for Economic Forum *[ITAR-TASS]* 43
Russia: Chernomyrdin Views Linking Working Capital to Inflation *[INTERFAX]* 44
Russia: Chernomyrdin Not Pleased With Regional Power Producers *[ITAR-TASS]* 44

Economic Issues

Russia: Proposed Excess Profit Tax Viewed *[SEGODNYA 17 May]* 44
Russia: Good Weather Speeds Spring Sowing Campaign *[INTERFAX]* 45

UKRAINE

International Affairs

Ukraine: Yeltsin Visit to Kiev Not Expected Before Elections *[DEMOKRATYCHNA UKRAYINA 25 May]* 46

Ukraine: Official Says Moscow-Kiev Still 'Far Apart' on BSF *[UNIAN]* 46
Ukraine: Ukraine Assents to Celebration in Sevastopol *[KRASNAYA ZVEZDA 29 May]* 46
Ukraine: Top Security Official Views BSF Negotiations *[INTELNEWS]* 47
Ukraine: Pact Signed With Russia on Foreign Economic Cooperation *[INFOBANK]* 47

National Affairs

Ukraine: Kuchma Authorizes Probe Into Legislators' Deaths *[DEMOKRATYCHNA UKRAYINA 25 May]* 47
Ukraine: Kuchma Confirms Cabinet Reshuffle, Notes Design Intentions *[INTERFAX]* 48
Ukraine: Prime Minister Firmly Supports Kuchma's Economic Policy *[INTERFAX]* 48
Ukraine: NBU Advisor Views New Prime Minister Lazarenko *[INTELNEWS]* 48
Ukraine: Kuchma May 'Unilaterally' Call Constitutional Referendum *[INTELNEWS]* 49
Ukraine: Parliament Speaker Comments on Resignation Call *[UNIAN]* 49
Ukraine: Speaker Adjourns Parliament Until 4 Jun *[UNIAN]* 49
Ukraine: Lazarenko Seeks Tougher Control of Budgetary Funds *[UNIAR]* 49
Ukraine: 'Green World' Protests Kuchma Plans for New Nuclear Plant *[ZA VILNU UKRAYINU 25 May]* 50

WESTERN REGION

Belarus

Belarus: Syanko Allays Fear Over Integration With Russia *[Minsk Radio]* 51
Belarus: Military Official on Foreign Relations *[VO SLAVU RODINY 24 May]* 51
Belarus: Official Comments on Security Conference in Warsaw *[Minsk TV]* 52
Belarus: U.S. Trade Mission Arrives in Minsk, Holds News Conference *[BELAPAN]* 53
Belarus: Parliament Refuses To Consider Lukashenka Amendments *[BELAPAN]* 53

Moldova

Moldova: Press Briefed on Snegur's Visit to Turkey *[BASAPRESS]* 53
Moldova: Snegur-Lucinschi-Sangheli Consultations Confirmed *[INFOTAG]* 54
Moldova: Sangheli, Dniester's Smirnov Discuss Economic Issues *[BASAPRESS]* 54
Moldova: Police Deny Knowledge of Trainees in Terrorist Camps *[BASAPRESS]* 54
Moldova: Leftist Groupings Apply Pressure to National Bank *[BASAPRESS]* 55

CENTRAL ASIA

Kazakhstan

Kazakhstan: President Praises Yeltsin's Talks With Yandarbiyev *[ITAR-TASS]* 56
Kazakhstan: Treaty Ratified on Political Status of Russians, Kazakhs *[ITAR-TASS]* 56
Kazakhstan: FM Meets Singapore's PM on ASEAN, Economic Region *[ITAR-TASS]* 56
Kazakhstan: Transport of Kazakh Oil to Iran To Start 1 Jul *[INTERFAX]* 56

CAUCASUS

Azerbaijan

Azerbaijan: Aliyev Meets U.S. Commission on POW's, Missing Persons *[TURAN]* 58
Azerbaijan: 'Great Significance' of Planned President's Meeting Viewed *[TURAN]* 58
Azerbaijan: Religious Figure Says No Growth in 'Fundamentalism' *[TURAN]* 58
Azerbaijan: Guliyev Comments on Financing of Oil Pipelines *[TURAN]* 59

Georgia

Georgia: Russian Command Says Tbilisi Ignoring Obligations on Fuel *[IBERIA]* 59

Russia: Yeltsin Arrives in Ufa, Speaks at Rock Festival

LD2905235296 Moscow Russian Television Network in Russian 2025 GMT 29 May 96

[Video report by A. Pishchayev; from the "Vesti" newscast]

[FBIS Translated Excerpt] The Russian president had an extremely busy day yesterday [29 May]. In the evening Boris Yeltsin arrived in Ufa:

The head of state was met by President of Bashkortostan Murtaza Rahimov and other officials. After the national ensemble had performed the Bashkir melody (Na Kuray), Boris Yeltsin went up to residents of Ufa, but there was no conversation as such. There will be conversations and meetings on 30 May. On the whole, the sympathies of the people of Ufa can be judged from the reaction of the young people, some 20,000 who gathered for the rock festival under the motto "Vote or lose" at the (Akbuzat) racecourse. Yeltsin's appearance on the rostrum evoked a storm of applause. [video shows Yeltsin and his wife arriving at Ufa airport and Yeltsin embracing and kissing Rahimov]

[Begin Yeltsin recording] I want... [pauses] I want you and I together to make this choice on the 16th, you and I together. I want you to be true to that present-day slogan that you are holding up: Vote or you will damned well lose. [crowd yells approval] [end recording] [passage omitted]

Russia: Yeltsin Offers Bashkir Villagers Economic Independence

LD3005101496 Moscow ITAR-TASS in English 0939 GMT 30 May 96

[By Rzai Tukhvatullin and Andrey Shtorkh]

[FBIS Transcribed Text] UFA, May 30 (Itar-Tass) — "Take as much economic independence as you can hold in your hands," said on Thursday President Boris Yeltsin, addressing residents in the village of Alekseyevskaya, situated 15 kilometers from the Bashkirian capital Ufa.

The head of state amplified, during his visit to the village, on his famous aphorism: "Take as much sovereignty as you can hold".

The Russian president's assistant for economic affairs Aleksandr Livshits, commenting on today's statement by Yeltsin in an interview with Itar-Tass, noted that it signifies a new stage of economic reforms.

When the president spoke about sovereignty, politics was in the foreground. Reforms has now made headway, and the economy advances to the limelight. Therefore, the president speaks about economic independence of regions, the assistant added.

Addressing state farm workers who welcomed Yeltsin very warmly, showed him their national dances and greeted him with numerous posters in support of his candidacy for the presidential post, Yeltsin noted that, although he is an advocate of individual farmers in agriculture, "any form is good": individual farmers, collective farms, state farms and other forms of labour organisation in the countryside.

Yeltsin stressed: "Moscow, the Centre, the Government and the President do not put pressure on you, and you are free to choose which form of husbandry is better for you".

"Russia has already passed the stage of diktat from the Centre," the president continued. "Regions should become truly independent now. If you want to be individual farmers, please, be them. If you want to join collective farms, please, do it. Land is your property, and this is the main thing."

"Yes, I favour individual farming," Yeltsin emphasised. "But it does not matter what I think. It is up to you to choose, so do it. There is no need to destroy the established form of husbandry on the Alekseyevskiy state farm where the level of profitability amounts to nearly 50 percent.

"Although there are only a few such farms, you are doing well on your farm. This means that this is your form of husbandry."

Yeltsin asked many questions about problems which beset villagers. They turned to be the same on the whole as in other Russian regions where the head of state was over the past months: allowances for children, size of pensions and wages.

Turning to maintenance of large families, Yeltsin said that allowances for children in large families would be increased in the near future, while the income tax would be cut.

Speaking about purely agrarian problems, Yeltsin stressed that it is necessary to support agriculture, and the state will do everything possible in this respect.

The president was also interested in such issues as availability of a market to sell produce of the state farm, use of new technologies and the level of social and cultural services.

Yeltsin was very satisfied with his visit to the village and even joked: "When I retire on pension, I will also go to the countryside".

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Before his departure from the Alekseyevskiy state farm, Yeltsin visited its green houses where he was shown the advanced lines for packing radish, tomatoes, cucumbers and other vegetables. State farmers suggested that Yeltsin taste their strawberries, tomatoes, cucumbers and even grapes which are not common for this area.

Thousands upon thousands of local residents lined roads in Ufa and its suburbs along the route of the presidential motorcade, although it was a workday.

Not a single Russian city where Yeltsin was during his election campaign, welcomed the Russian leader so warmly as Ufa.

Russia: Yeltsin Announces End to Fund-Raising Campaign

LD2905155096 Moscow ITAR-TASS in English 1458 GMT 29 May 96

[FBIS Transcribed Text] MOSCOW, May 29 (Itar-Tass) — Russian President Boris Yeltsin on Wednesday announced an official stop of his fund-raising campaign as of presidential candidate.

In an address to the voters, Yeltsin said that the sum of donations, fixed as ceiling by Russia's election law, had already accumulated on his temporary account in the Savings Bank.

The address said:

"Dear voters!

"Under the federal law 'On the Election of the President of the Russian Federation,' an election campaign of a candidate to the Russian President shall be financed with voluntary donations by Russian citizens and organisations. During April and May, the entire sum, as it is fixed by the law, has accumulated on my temporary account in the Russian Savings Bank.

"In this regard, I would like to announce a stop of my fund-raising campaign and express my sincere gratitude to Russian citizens, public organisations, trade unions, labour teams of industrial enterprises, financial institutions, and sports clubs that have transferred me their funds."

In conclusion, Yeltsin reiterated that he was confident in his victory in the polls.

Russia: Zyuganov Says Yeltsin's Chechen Trip More Form Than Content

LD2905190396 Moscow NTV in Russian 1500 GMT 29 May 96

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] In Stavropol, Gennadiy Zyuganov, the joint opposition candidate, was met by pickets.

Several hundred supporters and opponents of the communist leader gathered in front of the Palace of Culture where political campaigning was taking place.

Citizens with red flags acted the most aggressively. Now and then political campaigners of the left front went up to pickets standing quietly, attempting to convince their ideological opponents that they were right. [passage omitted]

Zyuganov's political campaigning began in the hall. [passage omitted] Going on to the stage, Zyuganov told those assembled that he did have something to take with him to the elections. He gave assurances that he could not wish war, since he was born in the fields and steppes of Orel. A very important event occurred there: The leader of the communists was made a pioneer. After the celebrations he returned to daily life and commented upon the trip by Boris Yeltsin to Chechnya yesterday.

[Begin Zyuganov recording] The secret trip by the commander in chief is new in military art. This trip is more a matter of form than content. [end recording]

Moreover, Zyuganov responded to the desire by his supporter Viktor Anpilov to go underground in the event of defeat.

[Begin Zyuganov recording] No one needs to go underground. I will use the democratic mechanism and the right to vote, to amend the vote through the ballot box. There is this possibility now. [end recording]

The program of Zyuganov's stay in Stavropol was very modest. Nothing else was planned apart from one meeting with the electorate and party activists.

Today, the leader of the communists sets off to enlist the support of Mineralnyye Vody and he will be in Kabardino-Balkaria tomorrow. The communist leader plans to meet the president and parliament of the republic in Nalchik.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: Yeltsin Chechnya Visit Seen as Electioneering Ploy

MM3005092596 Moscow SELSKAYA ZHIZN in Russian 30 May 96 p 1

[Article by Vladimir Solovyev: "Lightning Excursion to Groznyy"]

[FBIS Translated Text] You can accuse Boris Nikolayevich Yeltsin of anything, but you cannot deny his inventiveness. Who could have imagined that on Tuesday [28 May] when the delegation of Chechen separatists led by Zelimkhan Yandarbiyev was preparing for the second round of talks, the guarantor of these very talks was already a long way from Moscow en route for Chechnya?

The announcement of Boris Yeltsin's unexpected visit really took the Chechens unawares, to such an extent that they refused to meet with journalists.

Let us recall how events developed. On Monday the Chechen delegation arrived in Moscow. That same evening an agreement was reached on the cessation of combat operations 1 June. A concrete discussion of this issue, along with the problems of exchanging prisoners and other clarifications was scheduled for the next day. After this it was planned that Boris Yeltsin was to leave on an election trip to Ufa and Perm. But at midday on Tuesday the Chechen delegation was stunned to see their negotiating partner on television in their native land. Having flown to Mozdok, Yeltsin traveled by helicopter to the cossack village of Pravoberezhnaya and a Russian troop unit base. Having congratulated soldiers on "successfully routing the rebel Dudayevite regime," the president left for Moscow after a few hours on Chechen soil.

Throughout this period the Chechen delegation effectively became hostages, guaranteeing the president's security, and we had a chance to see how the people who had prepared this lightning visit had learned their tactics from the Dudayevites themselves.

You were left with a sense of political theater from what you saw on television. The president looked good against the backdrop of a helicopter gunship and signed with a flourish right there on the armor plating an edict on the early demobilization of those soldiers who had completed 18 months of service, no less than six of these months being spent in Chechnya. His appeal to servicemen also looked striking: "The war is over, you have won." And how photogenic the presidential aircraft's takeoff looked! What a picture!

Please do not get me wrong. While not having the slightest sympathy for the separatists and sincerely sharing Russians' anguish over the open wound that is Chechnya, this time I cannot avoid irony. Although you would have thought that it was a question of the long-awaited peace, there was such an electioneering flavor to everything that happened that doubts involuntarily arise. Did Yeltsin achieve anything in Chechnya that he could not have achieved in Moscow? Did he bring all the Chechens to the negotiating table there as promised? That is just the point, he did not. Everyone realizes that Boris Nikolayevich was simply "making things unpleasant" for his rivals, henceforth able to add the following phrase to his statements: "I went to Chechnya as promised. Which of them was able to do that?!"

I am afraid that the full significance of the trip may be reduced to just that. Since who knows how the proud Chechens will now respond to this treatment? After all, they by no means entered into the talks as the losing side.

The Chechen tragedy is too grave and of too great a magnitude for its solution to be based solely on election considerations. Otherwise we will be unable to resolve this problem for a long time.

Russia: Chernomyrdin Voices Confidence in Yeltsin Election Victory

LD3005095296 Moscow ITAR-TASS in English 0923 GMT 30 May 96

[By Yevgeniy Tkachenko and Gennadiy Yezhov]

[FBIS Transcribed Text] CHELYABINSK, May 30 (Itar-Tass) — Russian Prime Minister Viktor Chernomyrdin, currently on a working tour of Chelyabinsk Region, today told a meeting of local businessmen that "we shall complete the current reform with President Boris Yeltsin at the head". He stressed that "today we need Yeltsin as President because of his character and capabilities, and, moreover, Boris Yeltsin was able to knock together up a strong team of followers around himself".

Commenting on the statements by some presidential candidates, including Grigoriy Yavlinskiy, Chernomyrdin stressed: "I am pleased that somebody is now asking for the post of Prime Minister. Nobody was eager to assume it in the past three years, and if somebody today says that he is ready to head the government instead of being President, it means that the situation has improved, has become stable."

Chernomyrdin recalled that "Russia is effecting its fourth reform in the past century, but none of them were completed". Many of us remember the 'Kosygin reform", because we took part in it, but Kosygin was not given a chance to accomplish it. If Russia had embarked upon that road, it would have been

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

unrecognisable today," Chernomyrdin noted. [quotation marks as received]

The businessmen, who took the floor during the meeting, expressed the view that the Government and the President should promptly focus their attention on the democratic opposition in the country so that it could fully replace the communist opposition. Many speakers said that business activity was today being daunted by the spectre of communism, which is again looming over the country. Business activity had slumped after the December elections to the State Duma. It is worth noting that the communists have very little winning chances in Chelyabinsk and Sverdlovsk Regions, as well as in Moscow and St. Petersburg. This is admitted by the communists themselves. The local businessmen believe that this was their achievement, too.

In reply to these statements, Chernomyrdin said that "today the backing given to communists was becoming much weaker not only in these regions, but in the other areas of Russia, too".

Some businessmen asked Chernomyrdin to reduce the tax burden. Chernomyrdin said in reply that "he did not favour any offhand changes of the taxation system, because this will immediately cut into the tax revenues. However, work to amend the tax legislation is under way, and tax privileges will be primarily granted to representatives of the small and medium-size businesses".

Seeing that the meeting was attended by many managers of defence enterprises, located in Chelyabinsk Region, Chernomyrdin said that work was now all but completed on the defence order for 1997-1998. "We have come close to the elaboration of index figures and working capital," he stated.

Russia: Grachev Says 90% of Troops To Support Yeltsin in Election

LD2905194196 Moscow ITAR-TASS in English 1809 GMT 29 May 96

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, May 29 (Itar-Tass) — Defence Minister Pavel Grachev on Wednesday assured President Boris Yeltsin that 90 percent of troops will support him in the upcoming June 16 poll.

Closing a meeting of the army leadership, which Yeltsin also attended as the army commander-in-chief, Grachev said that the troops could fulfill all tasks set forth by the political leadership.

However, he stressed that timely and complete, to the extent possible, financing was required in compliance with the budget.

Also, he asked Yeltsin to protect the army from attacks by the press, saying that some media "disparage the good name of the Russian armed forces."

Yeltsin decorated Colonel-General Anatoliy Kvashnin, the North Caucasian military district commander, with the Order of Valour.

Colonel-General Fedor Reut, in command of the federal troops in the Transcaucasia, was awarded an Order for Military Services.

Russia: Gromov Issues Statement in Support of Yeltsin

LD2905225996 St. Petersburg Fifth Channel Television Network in Russian 1705 GMT 29 May 96

[Statement issued by Boris Gromov, former Russian deputy defense minister, on 29 May — recorded]

[FBIS Translated Text] As a current voter, I have been listening to the speeches by many politicians and many people. Unfortunately, many of them have been saying that the issue is simple and that one needs to vote for such and such a person. However, I think the issue is very complex from the viewpoint of being a choice of the future path of our state.

Boris Nikolayevich Yeltsin is our future, even taking account of all the mistakes, some shortcomings, and maybe even some failures such as, say, Chechnya. Our country and our people have done enough looking down at their boots or looking back at what existed in the past. We should nevertheless live a normal human life without envying all the people and peoples at present living in Europe. For instance, I am honestly ashamed when one travels to a country that we once conquered during the Great Patriotic War and during World War II, and sees that the people there are living several times better than we, the citizens of Russia, are. I think that this is wrong.

But why should we not act in such a way that we do nothing but good for our children, grandchildren, great grandchildren, and the future generations coming after the great grandchildren? We are not saying that we shall build a country that will wipe the slate totally clean. No, we are merely speaking about creating a normal worthwhile life for every individual.

I would make the following request to the people of the older generation: Esteemed people of the older generation and esteemed veterans, perhaps it is necessary somehow to view in a detached way our life at present and in the future, and make up your minds for whom you will vote. I would ask you to ponder this afresh and nevertheless make Boris Nikolayevich Yeltsin your choice.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: Yeltsin Aide Says Communists Working Out Options To Seize Power

LD3005114696 Moscow INTERFAX in English 1133 GMT 30 May 96

[FBIS Transcribed Text] MOSCOW, May 30 (Interfax) — The Communist Party of Russia (KPRF) is working out various options to seize power if defeated in the elections or if the elections are disrupted, presidential political adviser Georgiy Satarov told a news conference in Moscow Thursday.

With this aim in view, the Communists maintain that the authorities will surely falsify the election results, Satarov said. In addition, the KPRF seeks "to flood ballot stations with its observers so that it could easier falsify ballot papers in the mess they will create themselves," he said.

"We also have information on preparations for another option which involves disruption of the elections," Satarov said. The latest KPRF conference, which stated that "it is time to do away with democratic methods," is indirect evidence of this, he said.

"The KPRF has suspended its combat units for the time being, but the finger is on the trigger to pull it at a certain moment," Satarov said. These units may clash with law enforcers even before the elections, he said.

The KPRF is developing such scenarios because its prospects for a legitimate victory are fading away, Satarov said.

Tight control should be enforced over the preparation of the voting and the vote count, he insisted.

"The KPRF must not be allowed to destabilize the post-election situation, if KPRF leader (Gennadiy) Zyuganov is defeated, otherwise the outcome will be worse than in the autumn of 1993," Satarov underlined, referring to the attempted coup against President Boris Yeltsin in which the White House came under fire.

Russia: Candidate Zyuganov Gets Mixed Reaction in Stavropol

LD2905173996 Moscow Russian Television Network in Russian 1300 GMT 29 May 96

[FBIS Translated Text] Presidential candidate Gennadiy Zyuganov was in Stavropol Territory today.

[Begin unidentified correspondent recording] It would be wrong to say that Gennadiy Zyuganov's election campaign was being hampered in Stavropol today. The same things, more of less, happened here as in Rostov, Kuzbass, and Krasnodar.

The leader of the Russian Communists and his supporters were confronted by electors from Boris Yeltsin's bloc some hours ago. The heated debate between the two sides did not stop even during Gennadiy Zyuganov's address to the Stavropol electorate. He said that some 50 organizations in the Territory said yes to the Russian Communist Party's political and economic program.

The Terek Cossacks voiced differing opinions: some of them support the incumbent president while others will back the leader of the Communists. The military and pensioners lent their support to Zyuganov, although quite a few of them came to the rally with a critical attitude toward Communist ideas. [end recording] [video shows rally, pro-communist banners]

Russia: Lebed Reportedly Rules Out Election Deals

MM2905184496 Moscow KOMSOMOLSKAYA PRAVDA in Russian 30 May 96 pp 1-2

["Transcript of a closed session of A.I. Lebed's campaign staff," dated 26 May 1996: "General Lebed: 'Maybe I Should Accept Minister of Culture?!'"]

[FBIS Translated Text] It has become known from the transcript of a closed session of A.I. Lebed's campaign staff that the general does not intend to reach agreements either with Yeltsin or with the other contenders. We publish a transcript of this conversation (without commentary).

[Lebed] So now there's a proposal to change the campaign slogan. Instead of "Truth and order," to make it "Stability, truth, order." I think that's baloney. Three weeks from the end of the campaign — and we change slogans! Maybe I ought to grow my mustache too, or do my hair like this (he demonstrates). Excellent! Give the voter something to think about, since he's got nothing else to do. Second, what does it mean? What stability? Preserve everything as it is now? In that case, why the hell do they need me? You see, Yeltsin will preserve things much better than Lebed. You agree? The voters will agree too. If I thought that real happiness lay in preserving what we've got, I would be serving in the Army. What I think is, give us a couple more years of this stability, and the whole show will blow up!

[Voice] [not further identified] The voter doesn't understand that. He's afraid of change, of things getting broken.

[Lebed] I'm afraid of things getting broken too. You've only got one backbone. Me too. And so has every voter. Nobody wants it broken — they might not give you a new one. This is what needs repeating over and over — Lebed does not intend to send the country to the devil. There will be no butchery. These fools have only seen

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

war in the movies, but my wife was notified once that I was dead. I've had enough. But keeping the peace in the country and sitting quietly in the shit we're sitting in now is not the same thing. They're paying wages in time for that glorious holiday — the election of the president. And that's stability? With that kind of stability, they'll soon be resorting to bayonets. You can't preserve that kind of stability any other way. But the bayonets are no longer there for them. I know the 106th Division. In 1991 I led them into Moscow, everyone felt moved, they did their duty, they didn't shoot. In 1993 they went into Moscow again. Again everyone was moved, they did their duty, they shot. If they bring them in in 1996, what will they do? What duty will they do? But they won't go into Moscow. They'll say: We've had enough, our duty now is not to get involved, not to disgrace ourselves. I'm for stability. But not just keeping a chair under your backside today, but at least for tomorrow too. And to do that, we need to get cracking. Our slogan is clear — impose order today, stability tomorrow. The voter will understand that. He doesn't want this kind of stability — steadily not getting your wages and being afraid of gangsters. He doesn't want upheavals. Right. We must explain to him — when we impose order, there's nothing for you to be afraid of. We won't impose order with tanks. If there is order in Russia, it means the economy will work. Then there will be stability — wages will be paid steadily and the gangsters will be steadily sitting in prison.

Once we've achieved that, then we'll start maintaining stability in society. You pay our pet journalists and television people — let them explain that.

[Voice] Aleksandr Ivanovich, no one can put it better than you do.

[Lebed] Flattering the president — that's sacred, it's fulfilling the law, I salute it.

But flattering a contender is just flattery. It's unforgivable. So we've dealt with stability. What next?

[Voice] Yavlinskiy and Fedorov are expected to sign an agreement next week. What's our position? We can't just keep quiet, it will be in all the media. And also, our position on the KRO [Congress of Russian Communities]. They're due to have a congress.

[Lebed] The congress was yesterday. They removed Skokov. I sent a greetings message...

[Voice] About the removal of Skokov?

[Lebed] Among other things.... But our position here is simple, as it is with the Democratic Party. I don't refuse support. They've said they'll support my candidacy. A party that doesn't support anyone in the presidential elections is a sect, a bunch of dilettantes. They support me. Well, thanks. But I can't consider myself bound by any obligation. They have good people in the provinces, I can work with them. But I'm not going to let them be a millstone round my neck a second time. We won't push people away, in any circumstances. Nor will we be bound by their program alone, in any circumstances. I think the position is clear. Especially since you know how much help Glazyev provides. About the "Yavlinskiy-Fedorov" talks. Will Gorbachev join them?

[Voice] Where else can he go?

[Lebed] He'll be sunk on his own, like the [scrapped ship] Varyag.... So, Yavlinskiy, Fedorov, Gorbachev.... All the same, they're hardly likely to reach agreement. My position is simple. I know serfdom has been abolished in Russia. I don't intend to trade in votes or "souls" [serfs]. I don't intend to sell those who intend to vote for me. Let them make any deals they like. Let them exchange their coppers for a ruble. I'm in favor of playing by the declared rules. To the end. If we don't reach the second round, then we'll think about it. Although even then I don't think I'll be able to command anyone. In general, four out of five of my voters might vote for Zyuganov. But they haven't forgotten what our Communists are. It's just that these people have been driven up against the wall, backed into a corner. There's no work, no money, and on the box they're praising democracy and the president. So what's left for them? You can smash up the box, but what do you do with your life? You can bang your head against the wall, but you won't break it down. So what's left for them is either to hope that I'll be able to shift that wall at least a little, or else to turn back, to Zyuganov. If I'm out of it, they'll turn to Zyuganov. But it hasn't come to that yet. At the moment we're playing for victory, not tradeoffs. They can make deals if they want to.... Zhirinovskiy's started pushing these brilliant ideas. It turns out his father was not a lawyer or an artist, but a merchant. Creating a State Council made up of the presidential candidates! He says State Council, but what he means is a pawnshop. You put your votes in and get dollars in exchange. As for the little detail that the Constitution does not make provision for all these State Councils, he doesn't give a.... "Sound" psychology — let's have the money, we can always write a new Constitution. They'll drive the people crazy with all their deals. They're trading openly, right there on television. They make deals, and then they say: Vote for us, we're honest!

[Voice] And people vote for them.

[Lebed] Well, what can they do? They've got to vote for someone, haven't they? So they vote.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Voice] Our position must be stated clearly — that you're against deals.

[Lebed] I say that in every town. They don't report it. They seize on a couple of phrases, about "crooks" — and that goes on air. Nothing else. But let's do it, let's tell them again. We'll distribute it via INTERFAX.

[Voice] Aleksandr Ivanovich, we must also deal with the stories that you can be bought for the post of defense minister.

[Lebed] Maybe I should accept minister of culture? It wouldn't be too shameful.

[Voice] Have they offered it you?

[Lebed] They haven't thought of it yet. We should drop a hint, then they'll offer it immediately. About the defense minister. The defense minister is a professional. A respected general. They simply don't understand that — they give it to their Grachevs. The minister is a general with a good name. I have a good name. To receive the ministerial portfolio on the basis of purely political games is to lose your good name, to cover it in mud. The military won't forgive that. I wouldn't forgive myself. The Army won't accept a minister who won his post in the political casino. He won't be able to do anything at all. And I'll never do anything so stupid.

[Voice] They'll say: But he's running for the top post — president.

[Lebed] So I'm not taking part in games under the table. I'm not going to pull the presidency out from up my sleeve like a fifth ace. It's an open game. If they elect you, you have the right to it; if they don't elect you, go take a vacation. But bargaining in secret.... Let Zhirinovskiy bargain for the post of minister of foreign trade. Couldn't be better. What else do we have?

[Voice] Aleksandr Ivanovich, about Chechnya. Yeltsin's talks with Yandarbiyev.

[(Another) voice] Apparently Yandarbiyev's refused.

[Lebed] Right — you never know until you ask.... But a meeting wouldn't do any good anyway. Our people are talking baloney. The only thing I don't understand is — surely they don't believe it themselves?

The war is over.... It can't be over! But since they started it, all they can do is close their eyes.

[Voice] But it seems the troop operations really are ending.

[Lebed] And as soon as the Army leaves — who'll take power? Dudayev's supporters will come back. So then what — send the troops in again? We're losing there because we're telling lies. They can always sense our weakness very well. They will always blackmail us — "we'll secede."

You can't break them, crush them, purely mechanically. You squash them, you let go just a little — they're back on their feet. Rokhlin is an excellent general, Tikhomirov used to be my chief of staff. He's an honest general too. It's always possible to win a battle with them. We can't win the war. Because politically we're ostriches. When we hear the words "Chechnya will be independent" we put our heads under the blankets. Straight away, it's "anything you like, but not that." They are blackmailing us. And they're right to do it. They'd be fools not to blackmail us. If you're afraid of something, if there's something you won't say — you'll always be "done." It's a law. And all that has to be turned around. You want independence? Well, get on with it.... You're not worth Russian blood or Russian money. We should be the first to offer them a referendum. If you want independence, take it. The first independence is from the Russian budget. And deal with your own shit as best you can. We'll take the Russians out. There's nowhere for them to go. They can only live like parasites. On any honest vote, monitored by any of your OSCE's [Organization for Security and Cooperation in Europe], the majority would certainly come out in favor of saying in Russia. So then that's that. Now at last we are fully in the right, morally. An ultimatum to the Basayevs — your people have spoken. The question is closed. You have 24 hours — either you submit to the decision of the Chechen people, sign a treaty on Chechnya within Russia, and lay down your arms, or else I annihilate you all. Signed and delivered. To the last man. No talks. The only talks with you now will be held in hell. As soon as we are morally in the right, they're dead men. While we are not in the right, the dead will always be with us. The dead and the deals — "take money, take any rights you like, only don't go." Like naughty children — they sit on your head. It's time we shook our heads and sent them flying into the street, butt first.

[Voice] And if they really do vote for secession?

[Lebed] Then a real disaster will befall us — we'll have to live without Chechnya! Of course, Russia without Chechnya is not Russia, but what can you do....

[Voice] But the people will be afraid that others will follow their example.

[Lebed] Chechnya is a unique republic. They've been at war with us for 100 years and they haven't concluded a peace; 1944 and 1994 are just two points. Between those two points and before them there was no peace anyway. We don't have relations like that with any other republic. And another thing, when Chechnya is left

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

without Russia's handouts it will be such an example for the others that absolutely nobody else will secede. Like it was with the union republics — they were all eager to go, and now they don't know how to creep back.

Russia: Pollster Interviewed on Trends in Voting Intentions

MM2905133896 Moscow ROSSIYSKIYE VESTI ("Political Wednesday" section) in Russian 29 May 96 p III

[Interview with Aleksandr Oslon, general director of the "Public Opinion" foundation, by Dmitriy Orlov; place and date not given: "Edicts of the President — Answers to the Voters' Real Needs"]

[FBIS Translated Text] On our television screens and in our press today we are seeing a great many popularity ratings for candidates for the post of Russian president being conducted by sociological services. What lies behind them? What are the voters thinking when they answer the sociologists' questions? We asked Aleskandr Oslona, general director of the "Public Opinion" foundation, to comment on this question.

[Orlov] Aleksandr Anatolyevich, in the last couple of months we have observed a stable rise in the rating of the current president in Russia, Boris Yeltsin, and recently the number of voters who intend to vote for him has become considerably greater than those who prefer G. Zyuganov. What is this trend connected with?

[Oslon] It is true that practically all services with the exception of Nugzar Betaneli's Institute for the Sociology of Parliamentarianism have noted that Boris Yeltsin's rating points have been tending to rise. Several factors have been exerting an influence on this.

First there is the fact that the election is approaching. Whereas at the beginning of the year, when assessing the situation in the country, people preferred to ask the question "Who is to blame?" and they answered it in the negative with respect to the present authorities, then today the question is different — "What will happen after the election?" And, in answering it, voters are inclined to support Boris Nikolayevich Yeltsin.

The second factor is the president's preelection activeness. As soon as he became an active public politician again, and this happened in January-February 1996, attitudes toward him started to improve.

As the polls show, Boris Yeltsin's solutions are real responses to entirely specific inquiries by the electorate, whether it be the payment of wages arrears or support for the socially unprotected strata. This is another effective factor. Finally, there is this candidate's productive and subtle publicity campaign. If the president succeeds in doing something special, for example, making serious progress in finding a solution to the Chechnya problem (over 70 percent of those polled are calling this important), and the situation in the country remains peaceful, then the rise in his rating will continue.

[Orlov] What is the main motivation leading the voters to the ballot boxes?

[Oslon] The undesirability of upheavals. Our latest information about the presumed turnout of our country's citizens at the polling places (85 percent) testifies to the fact that the majority of voters consider 16 June to be a watershed.

It is noteworthy that only Zyuganov's supporters expect upheavals from Yeltsin, whereas both Yeltsin's supporters and Yavlinskiy's supporters, as well as a significant proportion of don't knows, expect upheavals from Zyuganov.

[Orlov] How accurate is the information being cited today by your foundation and other sociologists? Will it not happen, like in 1993 and 1995, that on the eve of the voting the ratings showed one picture, but, once the results of the elections were summed up, everyone saw a completely different picture?

[Oslon] I would like both the readers of ROSSIYSKIYE VESTI and the electorate in general to realize that first of all, the ratings reflect the moods of those who first of all have decided who they will vote for, and, second, will turn out to vote. You cannot base a forecast on this information. Today we have about 15 percent of people (of the 1,500 regularly polled by us) who do not answer the sociologists' questions at all. To a significant extent, as our past experience has shown, these are supporters of Zhirinovskiy and the extreme left wing.

But if you compare today's situation with the parliamentary elections, then it is quite different. Six months ago the electorate was faced with many not entirely clear choices, and the stakes were not as high. Today there is practically no "vagueness." The polarization is to be found not in society, but in people's heads. Yeltsin and Zyuganov are "painted" fundamentally different colors, white and red, if you like.

[Orlov] If a "broad coalition" of various social forces were to form today, how would the situation change?

[Oslon] At the end of April, we conducted a special poll on this question. If Boris Yeltsin were to form a coalition with Grigoriy Yavlinskiy, Svyatoslav Fedorov, Aleksandr Lebed, and Yegor Gaydar (as we know, he

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

has already supported the current president today), he would gain an extra 19 percent. This is very substantial.

Russia: Moscow Information Center Schedule for 16 Jun Polls

LD2905151496 Moscow INTERFAX in English 1426 GMT 29 May 96

[FBIS Transcribed Text] MOSCOW, May 29 (Interfax) — A work schedule has been determined for the information center in Moscow that will report on the vote and early election results during the June 16 presidential elections, the Russian Central Electoral Commission told Interfax.

The first early data regarding voter turnout is expected to be screened on an electronic board in the information center at 1000 on June 16. Representatives of the Central Electoral Commission are expected to hold a news conference at around the same time to comment on early information about the vote in the Russian Far East and Siberia.

The next report about voter activity will be screened at noon and will concern the vote in the Far East, Siberia, the Urals and some areas in central Russia.

Following reports concerning the vote will be screened at 1400, 1800, 1900 and 2000. Representatives of the Central Electoral Commission are expected to give another news conference on the vote at 1900 on June 16.

By 2100, the information center is expected to have information concerning the voter turnout in nearly all Russian areas.

At 2300, after all of the polling stations are closed in the Kaliningrad region, an early report on the results of the vote in the Far East and Siberia is expected to arrive. Representatives of the Central Electoral Commission are expected to give a news conference.

Early results of the vote are expected to arrive at midnight on June 16 and at 0100, 0200 and 0300 on June 17. The information center is likely to announce a break from 0330 until 0900 on June 17.

Following reports about early election returns will be received at 0900, 1200 and 1800 on June 17. The final version of early election results is expected to be announced at 1900 on June 17.

Russia: Tally of Duma Vote on Election Monitoring

964F2289A Moscow SOVETSKAYA ROSSIYA in Russian 21 May 96 p 3

[Unattributed report: "Who Is Afraid of Election Monitoring?"]

[FBIS Translated Text] It is a well-known piece of wisdom: He who is afraid of wolves should stay out of the forest. He who is afraid of society's control should stay away from the people. We, however, do it differently: We hold elections, but regional heads do not permit the public to monitor their course. Where is the logic; where is democracy, finally?

With great difficulty, in violation of all timeframe norms, the Duma amendment to the law on elections, requiring public monitoring of it, finally made it to the Federation Council. The Federation Council, which, as is known, consists of regional heads, did not pass the amendment: Everyone remembers the massacre that followed the results of the vote in December and the tsar's roar that we cannot do business with such regional heads.

Last Friday, Yabloko faction deputy Sheynis, one of the main authors of the amendment proposed to the law at the initiative of this faction, reported to the Duma on the Federation Council's consideration of the matter. What was presented as an argument against it? Imagine this: the prohibitive cost of such monitoring! As if each volunteer demanded for himself a ministerial salary. But this monitoring is called public monitoring precisely because it is done on a volunteer basis and in the interests of society!

One got the impression that the Duma was ready to override the Federation Council veto. During the vote, however, it turned out that this was not the case. It came out 12 votes short of what was needed to override it. Chairman of the lower house Gennadiy Seleznev appealed to his colleagues: Explain, please—perhaps the majority is wrong? Maybe public monitoring is a vestige of the past? There was no answer. Nevertheless, the same proportion continued in the repeat vote. Some deputies dug in: No monitoring! Actually, some factions did so very diplomatically and in an extremely well-organized manner—they simply did not vote almost to a man. It was this nonparticipation that prevented the needed 300 votes being gathered.

It is unlikely that such behavior on the part of the factions was accidental. Especially considering that it confirmed a trend we have already observed more than once: At a critical moment the LDPR [Liberal Democratic Party of Russia] forms a solid bloc with the party of power and reliably collaborates with it on

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

a question of principal importance for it. The position of the Russia Is Our Home faction was predictable and clear from the start.

Still, it was amusing to watch the politicians who want to sit on two chairs. On one hand, they did not vote against, but at the same time they kept the public away from the elections. Masters of the electoral slalom, no less!

We present to the readers the roll-call vote on overriding the Federation Council veto to the amendment to the law on elections that would establish public monitoring. Do not be surprised that it does not include the lists of the Yabloko, Communist, Power to the People factions, and the Agrarian deputy groups—they practically unanimously voted for establishing public monitoring. We publish here the lists of those factions that blocked the amendment on monitoring and thus created comfortable conditions for potential falsification.

Total results:

for: 267—63.8 percent (+); against: 2—0.4 percent (-); abstained: 2—0.4 percent (0)

voted: 291; did not vote: 159 (*)

AMENDMENT DID NOT PASS.

Liberal Democratic Party of Russia (LDPR) faction:

Abeltsev S.N.(0); Astafyev N.P.(*); Bogatov V.V.(*); Bolshakov Ye.A.(*); Vakulenko M.Yu.(*); Vengerovskiy A.D.(*); Vishnyakov V.G.(*); Glushchenko M.I.(*); Gusev V.K.(*); Gutseriyev M.S.(*); Davidenko V.I.(*); Davydov V.G.(*); Zhebrovskiy S.M.(*); Zhirinovskiy V.V.(+); Zhukovskiy A.I.(*); Zhurko V.V.(*); Zarichanskiy S.K.(*); Zlobin V.V.(*); Zuyev A.A.(*); Ishchenko Ye.P.(*); Kalashnikov S.V.(*); Kiselev V.V.(*); Kits A.V.(*); Kozyrev A.I.(*); Korniyenko V.U.(*); Kostyutkin V.M.(*); Krivelskaya N.V.(+); Kuznetsov M.V.(*); Kuznetsov Yu.P.(*); Lemeshov G.V.(*); Lisichkin V.A.(*); Loginov Ye.Yu.(*); Magomedov S.Yu.(*); Markalov L.I.(*); Mitrofanov A.V.(+); Mityayev I.I.(*); Mikhaylov Ye.E.(*); Monastyrskiy M.L.(*); Musatov M.I.(*); Parshakov Yu.N.(*); Pchelkin V.V.(*); Semenov S.S.(*); Sigarev S.F.(*); Skupikhin S.V.(*); Solomatin Ye.Yu.(*); Sychev S.V.(*); Filatov A.V.(*); Finko O.A.(*); Churilov A.V.(*); Shevchenko V.A.(*); Shipov A.B.(0)

Russian Regions deputy group:

Abdulatipov R.G.(+); Aushev M.I.(*); Gamidov G.M.(*); Gdlyan T.Kh.(*); Gerasimenko N.F.(*); Goman V.V.(+); Gromov B.V.(*); Zhamsuyev B.B.(+); Zhukov A.D.(*); Zelenov Ye.A.(+); Zlobina L.A.(+); Katalnikov V.D.(-); Kotkov A.S.(*); Laritskiy V.Ye.(+); Lakhova Ye.F.(*); Lopatin V.N.(+); Lotorev A.N.(*); Lysenko V.N.(*); Medvedev V.S.(*); Medvedev N.P.(*); Medvedev P.A.(*); Medikov V.Ya.(*); Morozov O.V.(+); Nesterenko T.G.(+); Orlova S.Yu.(*); Pamfilova E.A.(+); Raykov G.I.(+); Rozhkov V.D.(*); Svetgaliyev Z.I.(+); Soluyanov A.V.(+); Stepankov V.G.(+); Stolyarov N.S.(+); Tetelmin V.V.(+); Fedorov B.G.(*); Khakamada I.M.(*); Tsvetkov V.I.(*); Tsoi V.Ye.(*); Chilingarov A.N.(+); Shakov V.N.(*); Shakhray S.M.(*); Shestakov V.A.(+); Shuba V.B.(+)

Russia Is Our Home faction:

Aleksandrov A.I.(*); Altukhov V.N.(*); Altynbayev Zh.K.(*); Alferov Zh.I.(*); Alymashkin V.P.(*); Andreyev A.P.(*); Arinin A.N.(*); Askerkhanov G.P.(*); Bagautdinov G.G.(*); Belyayev S.G.(*); Bignov R.I.(*); Boos G.V.(-); Boskholov S.S.(*); Bugera M.Ye.(*); Bunich P.G.(*); Veselkin P.M.(*); Volkov G.K.(*); Volchek G.V.(*); Galaziy G.I.(*); Gayulskiy V.I.(*); Golovkov A.L.(*); Gonzharov O.P.(*); Goryunov V.D.(*); Goryunov Ye.V.(*); Grebennikov V.V.(*); Zorin V.Yu.(*); Zyablitsev Ye.G.(*); Karimova D.Yu.(*); Kuvshinov A.I.(*); Kuznetsov B.Yu.(*); Kuznetsov V.Yu.(*); Linnik V.V.(*); Luntovskiy G.I.(*); Mastynov A.G.(*); Mitin S.G.(*); Morozov A.T.(*); Narusova L.B.(*); Ovchenkov V.I.(*); Oynvid G.M.(*); Paradiz A.L.(*); Petrenko S.V.(*); Piskun N.L.(*); Pobedinskaya L.V.(*); Podufalov N.D.(*); Polyakov A.A.(*); Popkovich R.S.(*); Rokhlin L.Ya.(*); Ryzhkov V.A.(*); Sayfullin I.Sh.(*); Salchak G.A.(*); Selivanov A.V.(*); Seslavinskiy M.V.(+); Sirotkin V.D.(*); Skvortsov V.N.(*); Sokhov V.K.(*); Strakhov A.L.(*); Suleymenov I.A.(*); Tarachev V.A.(*); Ten Yu.M.(*); Tikhomirov V.V.(*); Travkin N.I.(*); Tyagunov A.A.(*); Ulbashev M.M.(*); Sharapov V.F.(*); Shokhin A.N.(*)

Deputies not affiliated with factions:

Borovoy K.N.(+); Bryntsalov V.A.(*); Burbulis G.E.(*); Vorobyev E.A.(+); Gaysin M.F.(*); Golovlev V.I.(*); Gonchar I.N.(+); Grigoriadi V.S.(*); Zubakin S.I.(*); Kovalev S.A.(+); Kozyrev A.V.(*); Kurochkin V.V.(*); Lebed A.I.(*); Makarov A.M.(*); Nevzorov A.G.(+); Pokhmelkin V.V.(+); Pochinok A.P.(*); Rybakov Yu.A.(+); Rybkin I.P.(*); Starovoytova G.V.(*); Utkin Yu.V.(+); Shubina T.I.(*); Yushenkov S.N.(+); Yankovskiy A.E.(+).

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: Election Campaign Effect on Securities Cited

MM3005094096 Moscow ROSSIYSKIYE VESTI ("Political Wednesday" section) in Russian 29 May 96 p I

[Report by Yelena Ishkova: "Securities Market Has Voted for Stability Without Waiting for 16 June"]

[FBIS Translated Text] Securities know everything and moreover they know how to talk. For instance, Russian state securities are well informed regarding the approach of the presidential elections. If you know their language you can understand that a month ago the possible outcome of the elections was utterly unclear to them. But recently the incumbent president's chances of victory have increased. That was shown well by the present situation on the stock market. It reflected like a mirror the feelings which have gripped the players in the market economy.

Our securities, incidentally, are behaving just as they do in other countries in a preelection situation. The uncertainty as regards who will be the head of state after the election date has always and everywhere given rise to fluctuations on the stock market. Long-term securities suddenly decline drastically in price and their yield begins to rise to incredible dimensions. Money is invested in short-term securities.

The same thing happened to Russian state securities in April. Here is what Igor Kovtun, deputy chief of the Ministry of Finances securities department, has to say:

"All sectors of the economy have been influenced to some degree or other by the political factor. Nor has it bypassed the state securities market. Since the second 10-day period of April the entire market has as it were divided into three parts. The first includes 'short-term,' that is three-month state short-term bonds which expire before 16 June, the second includes six-month bonds which expire after 16 June, and the third federal loan bonds which will be repaid in 1997 and 1998. If the yield of securities in the first group varied from 30 to 80 percent, in the second group the yield was 120-140 percent and the yield of long-term federal loan bonds was several hundred percent per annum. The prices for which securities in the latter group were quoted slipped to 80 or even 60 percent of their nominal value while the price of federal loan bonds in the seventh, most long-distance, series declined to 57 percent of their nominal value.

"We must specify that the Ministry of Finances believes that these changes have been caused not only by the approach of the election date but also by the uncertainty regarding the currency band. A number of banks have begun to rejig their 'portfolios,' that is to reinvest money not only from 'long-range' securities into 'short' ones but also from state securities into currency. So that the report of a new policy with regard to the ruble exchange rate announced by the government has proved premature. There were also purely economic reasons — some banks needed ready money to meet their commitments to clients.

"Nonetheless it is no accident that the red line was drawn after 12 June. That is the last date for the payment of state short-term bonds before the elections. The drastic rise in yield began with state short-term bonds to be paid for 19 June.

"This situation has led to the point where the money borrowed via securities and consequently the extinguishing of the budget deficit have begun to cost the state more. Even so loans to cover the budget deficit, given the yield which has taken shape on our stock market, are a very expensive pleasure. And here, in paying the increased number of 'short' securities we have even had to dip into the budget. The money which we received from placing securities was not enough.

"Today the volume of the state securities market or to put it more simply the sum which the state has borrowed by issuing securities is 130 trillion rubles [R]. Several years were required for the economy to start to live by the law of the state budget. The most important instrument for covering its deficit — state securities, the market for which began to display signs of maturity this year — had begun to operate.

"Revenue from state securities with a view to financing the state budget deficit should be about R50 trillion this year but already the Ministry of Finances is exceeding the set indicators. In brief state securities are an octopus which has wound its tentacles round all spheres of the economy. That is why any drastic actions, restrictions, and bans on this market and the imposing of new laws on it will lead to serious upheavals. Not to mention the revocation of state securities. It was not for nothing that the stock market players became perturbed: The arrival of a president who intends to 'take away and divide' will bring nothing good to them or the economy."

On the other hand if the state continues to act to develop the state securities market a period of prosperity awaits it, Igor Kovtun believes. The Russian securities market has every chance of becoming part of the international capital market and of attracting investments to Russia.

Sociologists had barely started to give more confident forecasts of the incumbent president's victory when the situation on the stock market began to change. For instance, the yield of six-month state short-term bonds which only recently was up to 180 percent declined 20 percent in a day. It is obvious that the players in the stock market have realized that they overestimated the risk of investing in "long-distance" securities and the volume of their sales began to rise steadily. And that trend is continuing, Igor Kovtun believes.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

CIS: ITAR-TASS Carries Press Review for 30 May

LD3005052796 Moscow ITAR-TASS in English 0507 GMT 30 May 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW May 30 (Itar-Tass) — Follows a review of Thursday's Moscow-based Russian newspapers dated May 30.

ROSSIYSKAYA GAZETA gives the details of President Boris Yeltsin's trip to Chechnya and runs a story related by a Chechen militant how he joined the Dudayev men and what ordeals he went through subsequently.

ROSSIYSKAYA GAZETA on measures to support compatriots abroad.

The newspaper reports a Russian government-approved programme of measures to support compatriots abroad — more than 25 million people, who, as fate willed, have found themselves torn away from their historical Motherland. The programme envisions specific political and economic steps that can ensure real assistance to them.

ROSSIYSKAYA GAZETA carries an interview with Russia's presidential candidate Martin Shakkum.

The founder of the Socialist People's Party (SPP), Shakkum is an adherent of Socialist ideas. He believes that the time of a genuine Socialism is still ahead. The SPP does not accept the "anti-capitalism" and proceeds from the assumption that capitalism and market are necessary for Socialism as primary economic mechanisms which make it possible to build a developed economy and a viable democracy.

ROSSIYSKIYE VESTI runs an interview with Zinoviy Pak, Minister of the Defence Industry, who analyses measures which will enable the defence sector to become a highly effective branch of the economy.

The newspaper also carries an article analysing the socio-political situation in Bryansk Region, which Communist Party leader Gennadiy Zyuganov visited recently.

IZVESTIYA on St. Petersburg mayoral election campaign.

"The mayoral election campaign smacks of oil and gas" is the headline of an article by the newspaper's correspondent Stepan Kiselev.

"The struggle for the post of Mayor in St. Petersburg is keen because at stake are the interests not of political parties and, still less, individual personalities but the interests of those financial-and-industrial elites which have had time to take shape in recent years, to grow stronger and become aware of strategic interests," the author of the article points out.

IZVESTIYA on people's attitudes to the presidential elections in the Bashkiria hinterland.

The staff of the newspaper's analytical centre and a correspondent of the newspaper Sovetskaya Bashkiria analyse people's sentiments in the Bashkiria hinterland 17 days prior to the presidential election day and on the eve of Boris Yeltsin's arrival in the republic. Public opinion polls taken there in May show that the Communists are obviously in the lead in the preferences of the republic's farmers.

KOMSOMOLSKAYA PRAVDA runs without comment the transcript of a closed-door meeting of the election campaign centre of Aleksandr Lebed.

As it becomes clear from the transcript, the General does not intend to go to an agreement either with Yeltsin or other presidential candidates. Lebed expresses his attitude to the possibility of entering into a coalition with other presidential candidates for the post of Defence Minister, gives an appraisal of the Yeltsin-Yandarbiyev talks, and expresses his opinion about prospects for a settlement of the Chechnya crisis.

KOMSOMOLSKAYA PRAVDA frontpages the story of Rinat Aksakov, a resident of Kazan, the son of a frontline soldier who was reported missing in action (MIA), who quite by chance came across the identification tag of his father.

The relatives of the fallen soldiers have to hope only for a lucky chance, comments Boris Vishnevskiy, the writer of the article.

"Russia is the world's only power which has no its own State service for the search for the MIA. This void can be filled only by zealous loners," Vishnevskiy notes. One of them, Mikhail Cherepanov, suggests establishing a State MIA reference information system.

TRUD on measures to reform taxation system.

The newspaper carries an article by Vladimir Ispravnikov, Vice-President of the Free Economic Society, who suggests a list of measures to reform the taxation system which, in his view, has now become a brake on the development of democracy in Russia.

PRAVDA on prophecies about Russia's future system.

The newspaper carries an article by Oleg Arin from Canada, who believes that whether Russia will be capitalist or Socialist will be the major question at the Presidential elections.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

If Yeltsin wins and goes ahead with his reforms, "their final result will be a social outburst, not less powerful than that in the October of 1917," Arin prophecies.

CIS: Integration Not Against Russia's Interests

MM2905112696 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 5

[Report by Anna Kozyreva: "The Formula of 'The Four.' The Integration of Former Union Republics Is Given a Legal Basis" — from the "Economic Union" section]

[FBIS Translated Text] We can finally say that the Treaty Among Four CIS Republics on Strengthened Integration in the Economic and Humanitarian Spheres has been definitively formulated: It has been ratified by the upper chamber of the Russian parliament.

I would recall that this treaty was signed by the heads of the Russian Federation and the Republic of Belarus, Kazakhstan, and Kyrgyzstan in Moscow 29 March 1996. On 13 April it was submitted by the Russian president to the State Duma for ratification. The relevant Federal Law on Ratification was passed by the State Duma 19 April and, in accordance with the Constitution, was immediately sent to the Federation Council.

The senators noted that the treaty submitted is in line with our country's interests, does not contain any provisions that contravene Russian legislation, and takes into account international legal standards.

This document will help preserve and strengthen the single cultural and educational area, and bring our legislative systems closer together. It will also help create a unified collective security system. The latter is particularly important given that NATO is still planning to expand eastward.

The Interstate Council, the Integration Committee, and the Interparliamentary Committee are being established as joint organs.

Incidentally, once the treaty had been signed, the sides exchanged notes on amplifying some of its provisions in order to eliminate the possibility of any ambiguous interpretations.

On the same day, parliament's upper chamber passed another law — - "On the Ratification of the Treaty on the Formation of the Community of Russia and Belarus." This treaty was signed 2 April of this year, as you will remember. It was ratified by the Republic of Belarus Supreme Soviet 4 May. So, following ratification in our parliament, it finally came into effect.

Integration among the CIS countries also has another aspect. The point is that today, according to the Russian Academy of Sciences Institute of Geography, there are around 180 territorial disputes on the territory of the former USSR. In recent years, over 150 ethnically motivated conflicts have occurred, with 20 involving the use of weapons: Tajikistan, the Transcaucasus, the Dniester Region, Karabakh, Ossetia, Ingushetia, Chechnya....

Clearly, only joint action by the CIS states is capable of putting an end to armed clashes and ethnic conflicts. But at the moment, the CIS peacekeeping forces are in the formation stage. Russia is playing the main role here. It is also bearing the main burden in terms of expenditure.

Russia is now participating in peacekeeping efforts in South Ossetia, the Dniester Region, Tajikistan, and Abkhazia. Russia is the mediator in the talks in Nagorno-Karabakh. The peacekeeping operations in Tajikistan and Abkhazia are being conducted as operations of the Collective CIS Peacekeeping Forces in accordance with the decision of the Council of CIS Heads of State.

Closer rapprochement among the states of the former Union will also lead to more effective efforts to regulate conflicts.

However, those people are wrong who believe that Russia is merely acting as a donor country in respect of the CIS countries, and that integration is only possible if Russia agrees to "feed" the former Union republics.

As though responding to such accusations, at its latest sitting the upper chamber of parliament clearly demonstrated that it is guarding our country's political and economic interests and upholding them in dealings with the CIS states.

The Federation Council approved the Federal Law "On Inserting an Addendum to the Russian Federation Law 'On Value-Added Tax [VAT].'" The essence of the addendum is that "cotton fiber originating from the customs territory of states not belonging to the CIS" is exempted from VAT.

The need for the law in question was generated by the fact that in recent times the raw materials base of the light and textile industries has been sharply curtailed. According to Russian Federation Government data, the total volume in these sectors currently does not exceed 18-20 percent of the 1990 level.

But all of our cotton is imported from other countries. In recent years supplies of this raw material came from CIS states on the basis of intergovernmental agreements. Cotton from these states (notably Uzbekistan) is not subject to VAT.

However, supplies of cotton fiber from Central Asia are decreasing every year. Thus, in 1993 a total of 552,000

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

tonnes was supplied, whereas in 1995 the figure was 177,000 tonnes. It is forecast that no more than 200,000 tonnes will be delivered from the CIS this year.

The situation regarding mutual relations with the former Soviet cotton-growing republics has deteriorated. The Republic of Uzbekistan, which delivered 80 percent of all our cotton last year, has refused to supply it on an interdependent basis. An edict of the president of the Republic of Uzbekistan issued in January of this year envisages prepayment for the deliveries and a guarantee from the banks serving the purchasers. It must be noted that Uzbek cotton is supplied to Russia at world prices, but its quality is inferior.

The abolition of the 20-percent VAT will enable us to attract new foreign raw materials sources and avoid a monopoly on the part of the Republic of Uzbekistan.

Experts have calculated that full provision for the raw materials requirements of the light and textile industries will even this year enable output to be increased by 2.6 trillion rubles [R] and R300 billion to be deducted into the budget.

CIS: Stroyev Cited on New Interparliamentary Committee

MM2905140296 Moscow RABOCHAYA TRIBUNA in Russian 29 May 96 p 1

[Unattributed report: "On the Right Track"]

[FBIS Translated Text] An agreement on an Interparliamentary Committee involving Belarus, Kazakhstan, Kyrgyzstan, and Russia was signed at a session of the Interparliamentary Assembly Council on Tuesday in Bishkek in line with the treaty on deepening integration. This was announced at a press conference by Yegor Stroyev, chairman of the Russian Federation Council and of the Interparliamentary Assembly Council.

He said that, during the meetings with the Kyrgyzstan leadership, including Kyrgyzstan President Askar Akayev, everyone emphasized that "nothing can stop" the countries drawing closer together. In his opinion, other countries, which are already showing interest, will want to join the "Treaty of the Four."

Regarding the "Treaty of the Four," Yegor Stroyev said that the main task facing legislators is to create the legal basis for its implementation. As head of the Interparliamentary Assembly Council, he sees his task as being to ensure that the Interparliamentary Committee, "as a joint body for administering integration and interparliamentary cooperation, starts working as soon as possible."

The head of the Federation Council reminded people that parliamentary cooperation began in 1992 in Bishkek. He said that the Interparliamentary Assembly session "must strengthen parliamentary and interstate ties which have existed for a long time." The meetings in Bishkek at various levels confirmed that "we are on the right track," Yegor Stroyev concluded.

CIS: Russian Customs Chief on Emergent CIS Customs Union

MM2905153796 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 10

[Report by Aleksey Viktorov: "Anatoliy Kruglov, Chairman of Russian State Customs Committee: 'Waiting Line Outside Customs Union'"]

[FBIS Translated Text] The latest session of the council of leaders of the Commonwealth states' customs services has reaffirmed the emergent trend toward the formation of a full-scale union.

The representative forum, held on the eve of the meeting of the CIS Heads of State Council, showed that the adoption of agreed decisions on cooperation between customs services is a priority task in shaping an integrated economic area.

The customs services of the four countries with the largest foreign-trade turnover among the Community members — Russia, Belarus, Kazakhstan, and Uzbekistan — have put forward a number of proposals which largely enhance the effectiveness of cooperation on customs issues. The heads of the customs departments did not need very long to adopt a statute on the integrated customs processing of goods shipped under customs controls. According to Anatoliy Kruglov, chairman of the Russian State Customs Committee, even the "most liberal customs measures will in any event be a barrier to commodity flows within the Commonwealth, destroying the already fragile economic ties that are being recreated."

Regulations governing the operation of a unified itemized commodity list for foreign economic activity, as well as a specimen unified customs declaration form were adopted at the conference. The heads of the customs departments devoted particular attention to funding work to provide equipment for customs crossing points on the union's external borders. The collapse of the USSR resulted in largely hasty decisions to erect customs barriers on the borders of the former republics. But now this practice shows that even on the borders of the Baltic countries a clearly excessive number of crossing points — in terms of their potential and, correspondingly, their cost — have been created. Anatoliy Kruglov noted that "the equipping of our external borders is being held up not only by a shortage of funding

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

but also because there is a certain amount of uncertainty about those borders." According to Mr. Kruglov, "there is already a waiting line outside the Customs Union of people wanting to join."

The words of the leader of Russia's customs department were indirectly confirmed by the participation in the conference of observers from Mongolia. Following the Russian president's visit to China and the conclusion of a number of preliminary agreements between the Russian Federation and the PRC on the questions of customs regulation, it was entirely justifiable for our Asian neighbor to show this interest. Traditionally, the Mongolian economy has been geared to commodity flows linking China with the Commonwealth countries, and of late it has been suffering losses as a result of the failure to regulate customs tariff issues.

A number of conference participants once again declared their desire to be phased into the Customs Union. Despite all the benefits to their producers of opening up the Russian market to them, the customs officers of states which are not part of the "union of four" are clearly in no hurry to give the green light to Russian exports. The traditional imbalance in Russia's favor when it comes to foreign-trade turnover, which causes certain fears among Customs Union participants, is undoubtedly having an effect. Commenting on this position of the CIS partners, Anatoliy Kruglov noted that "Russia is noticeably ahead of them on a number of customs regulation issues."

Russia will retain an advantage for a long time to come over its partners both in terms of trade flows and in terms of the volume of customs revenue raised for the budget. And the practice of contraband, not intercepted by customs officers, reaching both Russian territory or other CIS countries using the "two leaps" method (through one Commonwealth country into another) can only be stopped by setting up a real Customs Union.

CIS: Kuchma Addresses Communication Council Conference

WS3005083396 Kiev UKRINFORM in English 0638 GMT 30 May 96

[From the "Current Events" feature]

[FBIS Transcribed Text] As reported by UKRINFORM's communications correspondent, Ukraine's President Leonid Kuchma has received senior officials of the Regional Council on Communications Cooperation, an organization created by countries of the former Soviet Union at Ukraine's initiative. Addressing the officials on May 28, Mr. Kuchma said that CIS countries are attempting to create market economies while they still have "one leg in socialism." He was briefed on the problems hindering the development of telecommunications in CIS countries. The Ukrainian president called for greater cooperation in the telecommunications sector. He also briefed his guests on the current social and economic situation in Ukraine as well as the on-going constitutional process. The fifteenth meeting of the Regional Council on Communications Cooperation, which opened in Kiev on May 28, is aimed at providing a fresh impetus for development of communications cooperation between CIS countries. The council's meeting is attended by delegations from Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Uzbekistan, and Ukraine. Delegates from Denmark, Turkey, Germany, Estonia, and representatives of a number of international organizations also attended. Russia's Communications Minister Vladimir Bulgak and his colleagues said that CIS countries still have a common telecommunications space. They noted that the sector now accounts for a higher percentage of the countries' gross domestic products and it is not affected by the non-payment problem. They also noted that the CIS countries' telecommunications technology is 20-30 years behind those of leading industrial countries, adding that Dnepropetrovsk is the only city in the CIS where modern telecommunications facilities are manufactured. These and other problems as well as ways of resolving them are being discussed at the meeting. Cooperation aimed at developing the CIS' common telecommunications space was also discussed. The meeting will close on May 29.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: NATO's Angeli on Ties With Ukrainian, Russian Navies

MM2905133796 Moscow KRASNAYA ZVEZDA in Russian 29 May 96 p 3

[Report by Vladimir Pasyakin: "Admiral Mario Angeli: We Want To Cooperate With the Russian Navy"]

[FBIS Translated Text] As has already been reported, a representative delegation of NATO allied naval forces, Southern Europe, led by their commander in chief, Admiral Mario Angeli, has paid an official visit to Ukraine. Adm. Mario Angeli held a news conference on board the Ukrainian Navy escort Hetman Sagaydachnyy, in which our correspondent took part.

[KRASNAYA ZVEZDA] What is the purpose of your visit to Ukraine?

[Angeli] I am in Ukraine and Crimea under the NATO "Partnership for Peace" program. I came to Sevastopol in order to meet with the commander of the Ukrainian Navy and establish contact with the Ukrainian Navy staff.

[KRASNAYA ZVEZDA] During your stay in Crimea you have not met with the command of the Russian Black Sea Fleet. Why?

[Angeli] The point is that I have come to Ukraine and, naturally, I am meeting with representatives of its Navy. My schedule contained no plans for meetings with Black Sea Fleet representatives.

[KRASNAYA ZVEZDA] How do you regard the level of cooperation between NATO allied naval forces, Southern Europe, and the Black Sea Fleet?

[Angeli] It is not high. We want to cooperate with the Russian Navy, but so far we have had no contacts. Russia subscribed to the "Partnership for Peace" program last year, but we are still waiting for Russian ships to become fully involved in joint international exercises. We hope that this moment will arrive soon.

[KRASNAYA ZVEZDA] In your view, what are the prospects of the Ukrainian Navy's taking part in "Partnership for Peace" measures?

[Angeli] I believe that the Ukrainian Navy has an extensive opportunity of taking part in developing the above program. It will be able to take part in joint measures with NATO navies in the Mediterranean. It has already availed itself of that opportunity by taking part in NATO naval exercises under the "Partnership for Peace" program in the Mediterranean and Black Seas. Last September we conducted similar exercises in the Black Sea and Captain Second Rank Nastenko, commander of the Hetman Sagaydachnyy, took part in formations with NATO ships. Within a short period he joined an operational combined unit. We are expanding the framework of our exercises. In the future we will spend more time at sea and Ukrainian Navy officers will be able to command formations and join the command of operational groups and combined units over a longer period of time. That is one means of studying one another and rehearsing cooperation and mutual understanding.

Russia: Fleet Issues May Scuttle Yeltsin Pre-Vote Visit to Ukraine

MK2905122396 Moscow NEZAVISIMAYA GAZETA in Russian 29 May 96 p 3

[Report by Natalya Konstantinova: "When Will the President of Russia Journey to Ukraine?"]

[FBIS Translated Text] Talks between Admiral Igor Kasatonov, first deputy commander in chief of the Russian Federation Navy; and Vice Admiral Vladimir Bezkorovaynyy, deputy defense minister of Ukraine and commander of Naval Forces of Ukraine, were held in Sevastopol on 25 and 26 May. Igor Kasatonov was accompanied by Black Sea Fleet Commander Viktor Kravchenko and representative of the Russian Federation Foreign Ministry Igor Savolskiy.

Your NEZAVISIMAYA GAZETA correspondent has learned from sources close to the Black Sea Fleet Command, that Viktor Chernomyrdin — in charge of the negotiating process on the Russian side — met, upon his return from Kiev, with Commander in Chief of the Navy Feliks Gromov and his deputy Igor Kasatonov. According to some information, the Russian premier is very much interested in having the long-awaited treaty between Russia and Ukraine signed before June 16, in connection with which Igor Kasatonov had allegedly been instructed to make some concessions suggested by the Ukrainian side with regard to the basing and ownership of the [Sevastopol] bays. Igor Kasatonov, however, did not accept the suggestions of the Ukrainian side.

Under the so-called "new concept," Ukraine proposes to create naval bases in Sevastopol to accommodate both the Russian Navy and the Ukrainian Naval Forces. [The concept] also calls for separate use of the water areas of the bays as well as the mooring space: Ukraine's Naval Forces, in Streletskaya Bay, Russia's Navy, in the bays of Sevastopolskaya and Yuzhnaya. Karantinnaya Bay is to be turned into a demilitarized buffer zone to only accommodate civilian vessels.

The Ukrainian side's proposals, as they have been known since 1993, on the further utilization of the concrete facilities of the Black Sea Fleet remain unchanged:

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

61 moorings, fleet headquarters with an uncoordinated signal center that lacks any main command and control facility (logistics and aviation). Furthermore, and as before, the Ukrainian side insisted on depriving the Russian Federation Black Sea Fleet of the main types of combat support: intelligence, sea surveillance, radiation. chemical and biological protection. Ukraine intends to use all these facilities as part of its naval forces.

Igor Kasatonov thinks the proposed option indicates Ukraine's desire, as it forms an infrastructure for its own fleet, to consistently withdraw facilities, one by one, from the Black Sea Fleet, which would essentially lead to a degradation of the Russian fleet.

Specialists know very well that a joint basing of two military formations — Russia's Navy and Ukraine's Naval Forces in, say, Sevastopol — is impossible from a military point of view, because this would mean the coexistence of two incompatible structures; that is, the simultaneous functioning of two garrisons, two counterintelligence service directorates, two commandant's offices, and other services. All these things are potential sources of conflict and constant tension. One cannot also ignore the special feelings of Sevastopol's people, most of whom are pro-Russia.

Igor Kasatonov is positive that Sevastopol should remain the main base of the Russian Navy alone; the Russian side should not permit the creation of Ukraine's naval base in Sevastopol since the Sochi understandings provide for a separate basing of the fleets. Ukraine can use as the main base of its Naval Forces the base in Donuzlav.

Your NEZAVISIMAYA GAZETA correspondent has come to learn that this position was communicated to Boris Yeltsin and Viktor Chernomyrdin in a special letter summing up the results of 27 May negotiations.

One the one hand, Boris Yeltsin's visit to Kiev would be desirable before the elections from both a patriotic and a populist point of view, but only in the event if the status of Sevastopol and the Black Sea Fleet have been decided. However, the attempts by certain circles to organize the visit before 16 June at any price may do great harm to the Russian president, especially if the Russian side makes concessions that would lead to an actual destruction of the Russian presence on the Black Sea. Furthermore, accepting the terms offered by Ukraine during the recent talks in Sevastopol not only leaves no place for compromise in the future, but it is also fraught with a risk of a sharply negative reaction of Russian public opinion and of the people of Sevastopol.

Despite statements of the now former Ukraine premier Marchuk to the effect that a treaty between the countries "is ready for signing by the presidents of the two countries," each of the sides seems to reserve its view with regard to Sevastopol. Grigoriy Karasin, head of the Russian Federation Foreign Ministry press and information department told your NEZAVISIMAYA GAZETA correspondent — as he commented on the talks that had taken place and the possibility of signing the treaty in the near future — that one should not go to the extremes in this matter: "The talks are taking their normal course."

Russia: Primakov's Latin American Trip Viewed as Watershed

MK2905135796 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 21, 26 May-2 Jun 96 (signed to press 27 May 1996) p 5

[Article by Anatoliy Sosnovskiy, candidate of history: "On the Use of Routine Professionalism"]

[FBIS Translated Text] Last week's official visit to Latin America by Yevgeniy Primakov is remarkable for its pointedly routine nature.

At a time when it seems that any serious move by a prominent statesman must be directly subordinated to electoral considerations, the minister did not go either to Kiev with Chernomyrdin or to the State Duma to debate the question of whether the latest statements by the CIS heads of state amount to interference in Russia's internal affairs. The chief of the Russian Foreign Ministry directed his steps to a far-flung region that may well not be Russia's top priority as of the present day. He visited Mexico, Cuba, and Venezuela, signing in each of these states solid packages of agreements on economic, scientific-technological, and cultural cooperation, and also on joint actions to combat organized crime and illicit drug trafficking, thus clearly demonstrating the precedence of diplomatic strategy over the tactics of expediency.

This event is particularly remarkable against the backdrop of Andrey Kozyrev's attempted visits to Latin America that had been planned many times, but which were delayed at the very first gush of the Kremlin wind; in the end they never materialized, becoming the butt of Latin American diplomats' caustic remarks.

Without high-flown rhetoric on geopolitical matters Primakov has shown by his trip that Russia retains stable interests outside the post-Soviet space and that it has finally acquired a coherent line of conduct not only toward the "key players" of world politics, but also toward the states that, while not being centers of political and economic influence, can turn out in the near future to be Russia's important partners in many areas

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of cooperation. This applies, first of all, to Mexico and Venezuela. In both these oil-producing countries, which have gone through a period of economic boom, the economies are not in the best shape, both have piled up considerable debts to international finance institutions and the United States. But few have doubts about their potential for growth. Furthermore, both Mexico and Venezuela are major regional powers. Their economic capabilities and political weight may come in handy for Russia in its virtually inevitable diplomatic row with the United States over Cuba and Russian-Cuban relations.

This is what appears to be the reason for linking the successful official visits to these two countries to Primakov's most controversial trip to Cuba.

Notably, both "statists" and radical "anti-Castro liberals" in the Russian mass media assessed the minister's trip to Cuba — some with glee, others, with concern — as an attempt "to tickle America's underbelly." Yet the current goings-on in the Russian-Cuban-American "triangle" can hardly be described in terms of a kitchen squabble.

Russia has no interest in heightening tensions in its relations with the United States. But it would be extremely unwise to sacrifice Russia's fairly considerable interests in Cuba — including its space satellite-tracking and electronic surveillance center, Aeroflot's regional technical base, Cuban enterprises equipped with our technology, arms deliveries, Cuban sugar and rare metals, Cuba's multibillion-dollar debt, tourism, and real estate — for the sake of avoiding — God forbid — causing Washington consternation.

This is particularly evident against the backdrop of the virtually unanimous denunciation by the United States' closest allies — the EU and Canada — of the Helms-Barton bill, which was enacted by the United States and which calls for sanctions against Cuban economic partners, as well as the recent signing of the Cuban-German agreement on the protection of investment and economic agreements with Spain. All these countries, while retaining close friendly relations with America, do not hesitate to adopt a tough stance when their profits are at stake. Precisely this, not liberal rhetoric, is what ensures normal interaction between the economy and politics in the conditions of a post-Communist world and a global market. From this point of view, Primakov —who appears to be a conservative and even a Soviet-style nomenklatura bureaucrat, who declares relations with Cuba to be Russia's priority, hugs Fidel Castro, and stubbornly pursues his line — is fully in tune with contemporary trends.

Incidentally, he brought from his Latin American tour something that could please Washington, too. America is as interested as much as Russia is in the establishment of Russian-Latin American cooperation in the struggle against the omnipresent drug-trafficking Mafia. The minister's visit has made it possible to make considerable advances in this area.

Even at this stage it can be stated that the routine professionalism that has recently been displayed by Russian diplomacy is beginning to bear fruit. Barring upheavals on the domestic political scene, the outside world may soon begin to form a somewhat more accurate picture of Russia, instead of seeing it as a country of irresponsible and unpredictable politicians, defaulting businessmen, and bandits who cannot be caught.

Russia: Primakov Comments on Bosnia, Jerusalem

LD2905114696 Moscow INTERFAX in English 1112 GMT 29 May 96

[FBIS Transcribed Text] ROME, May 29 (Interfax) — Russian Foreign Minister Yevheny Primakov said on Tuesday that elections, the return of refugees, and economic reconstruction were the principal elements of the present stage of settlement in Bosnia.

Addressing a news briefing in Rome after meeting his Italian counterpart, Lamberto Dini, Primakov called for the reduction of armaments in Bosnia "instead of supplying them with weapons from the outside."

Primakov said he and Dini had also discussed relations between Russia and Italy. "Our countries take very similar attitudes to many international issues. Russian-Italian relations are on the ascent and are developing smoothly and well," he said.

"We were literally trying to squeeze out of ourselves problems which we could lay before each other, but we found practically nothing."

Primakov said a meeting he had had with Pope John Paul II and that "made clear that Moscow and the Holy See were in agreement on the status of Jerusalem." Jerusalem's status must "correspond to the significance of the city, which is the center of three religions," the Russian minister said.

"Worshipers who profess any of those religions must have free access to holy sites in Jerusalem," he said.

Russia: Moscow Awaits Results of Israeli Election

LD3005111196 Moscow Interfax in English 1057 GMT 30 May 96

[FBIS Transcribed Text] MOSCOW, May 30 (Interfax) — Moscow will comment on the Israeli elections only

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

after the official returns have been announced, a senior Russian foreign ministry official has said.

He believes that making any statements before the vote-count is over would be irresponsible, bearing in mind the delicacy of the situation.

The source said that Moscow was closely monitoring the elections in Israel.

The diplomat recalled that votes had not been counted in 1 percent of the constituencies yet and it was still unclear who the 100,000 Israeli troops preferred to vote for.

According to the latest reports from the two contenders for the premiership, leader of the opposition party Likud Binyamin Netanyahu is in the lead with 50.3 percent of the votes. The current head of the Cabinet, Shim'on Peres, is 0.7 percent behind.

"The gap is narrow and the situation may change after the final count," the source said.

Meanwhile, independent experts in Moscow believe that it is too early to worry about the future of the Middle East settlement in case Netanyahu rises to power, although judging by his public statements he would take a harder line in relations with Arab countries.

"What Netanyahu says is not the indicator yet. All will depend on what policies his Cabinet chooses," an expert said.

The source recalled that Moscow's record of relations with various U.S. administrations, for example, showed that in some cases it was easier to reach agreement with hard-liners, because as a rule they act in defiance of public opinion.

Russia: Seleznev, Mongolian President Discuss Chechen Peace

LD2905222596 Moscow ITAR-TASS World Service in Russian 1339 GMT 29 May 96

[By ITAR-TASS correspondent Kim Boldokhonov]

[FBIS Translated Text] Ulaanbaatar, 29 May — We welcome and highly assess the accords reached on ending the Chechen war, Mongolian President Punsalmagiyn Ochirbat said today during a meeting with visiting Russian State Duma Speaker Gennadiy Seleznev. "It would be very good if Yandarbiyev were more legitimate so that other separatist leaders would listen to his opinion," the Mongolian head of state said.

"Everyone understands that the war in Chechnya should be ended as soon as possible. People are dying there. Everyone in Russia is fed up with this war," Seleznev said. "The war in Chechnya is a bottomless hole in the budget. It is the state budget that we have to allocate the money from in order to restore the Chechen economy. The longer we are at war, the more we destroy, and the more expensive it becomes," he said.

Russia: Russian Radio Assesses Delegation's Visit to DPRK

SK3005023596 Moscow Voice of Russia World Service in Korean 1200 GMT 29 May 96

[From the "Today's World" program]

[FBIS Translated Text] A Russian parliamentary delegation led by Gennadiy Seleznev, speaker of the Russian State Duma, paid an official visit to the DPRK.

During the visit, the Russian delegation had talks with representatives from the Supreme People's Assembly, representatives from the Administration Council, and representatives from the Workers Party of Korea. In the talks, they discussed matters on developing relations between the two countries and exchanged views on the present situation on the peninsula.

In this connection, station commentator Vladimir (Koloryov) writes:

Russia shares a border with the Korean peninsula and, accordingly, is interested in maintaining good relations with the North and the South of the peninsula as well as in the pensinsula's security. In view of all these developments, relations between Moscow and Pyongyang, which were cool at one time, are being revitalized. This was proven in the Russian parliamentary delegation's visit to Pyongyang.

At the talks, the sides expressed satisfaction over the development in inter-governmental ties and inter-parliamentary ties between the two countries with regard to their economic, trade, scientific, and technological cooperation.

Inter-governmental meetings between economic, trade, scientific, and technological committees of the two countries which were held last month has opened the beginning of a new development in the economic ties between the two countries.

In particular, the two countries agreed on Russia's participation in the rehabilitation work on industrial facilities that were built in the DPRK with the Soviet Union's cooperation.

During this visit to Pyongyang by the Russian State Duma delegation, the sides also discussed the status of preparations for a new Russia-DPRK treaty which will replace the Soviet Union-DPRK Treaty on Friendship, Cooperation, and Mutual Assistance.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The current talks between the two countries were held at a time when the situation of the Korean peninsula has become acute. Therefore, Moscow is also naturally interested in normalizing the present situation on the peninsula.

Moscow opposes any move which attempts to resolve the Korean question by sidelining Russia. Moscow's such position was clearly manifest in its response to Washington's proposal for holding four-way talks to coordinate the recent situation on the Korean peninsula peacefully. The four-way talks envision the participation of the North and the South of the Korean peninsula and China in addition to the United States. However, this proposal has not yet received official support from Pyongyang or Beijing.

On the other hand, Moscow is still insisting on holding multilateral talks for a comprehensive resolution to the question of the Korean peninsula.

Russia: Arrest of Russians in Canada Seen Linked to UK Spy Case

MM2905173296 Moscow IZVESTIYA in Russian 30 May 96 p 3

[Report by Yevgeniy Bay and Gennadiy Charodeyev: "Two Russian 'Illegals' Arrested in Canada"]

[FBIS Translated Text] As the Canadian CBC television company has reported, two Russian spies, who have been living in Canada for several years and have apparently been using the documents of dead Canadians, have been arrested in Toronto.

According to the television company's information, this case concerns a certain married couple who found their way into Canada after the Cold War had ended, some time in the past five years. All the required Canadian documents were found on the arrested couple; information taken from the tombstones of Canadians who had died young had been used in obtaining these documents, as CBC reported. The couple had apparently separated later, and found new partners — Canadians. Toronto suspects that the plan was to transfer them at some later time to a European state in the guise of Canadians.

It is reported that the case has been sent to the federal court, but is being conducted without publicity.

IZVESTIYA called an expert who has been categorized as an "illegal" intelligence worker in the past. He noted the following, in particular:

"In order to deprive the arrested couple of the right to defense (they are still considered to be Canadian citizens), the investigation must prove that they used false passports and the data was really stolen from tombstones.

"In recent years, cases of passports being sold have become more frequent everywhere, so claims that the arrested couple were using false documents are premature. Once," our interlocutor said, "the famous Soviet intelligence agent Rudolf Abel stated, on being detained, that he 'just found' the passport he had on him. That in fact was the official story of his defense.

"In order to confirm that the arrested couple are spies, it is necessary to present substantial proof of illegal activity (pieces of evidence, caches, special equipment, and so on).

"Russian intelligence appears to have no 'special interest' in Canada, but the story that the arrested couple may have acquired Canadian cover for the purposes of a subsequent transfer to Europe may be plausible. Soviet intelligence agent Lonsdale, arrested in Great Britain, had Canadian documents on him."

A representative of the Russian Foreign Intelligence Service, who asked to remain anonymous, informed us that the arrest of two individuals suspected of spying for Russia may be a kind of logical consequence of the recent spy scandal which has flared up between Russia and Great Britain. The Canadians, so we were told, are "frequently under the thumb of Great Britain." Remember, a Russian citizen was arrested in Moscow at the beginning of May, charged with cooperating with British intelligence. His arrest caused the expulsion of four British diplomats from Moscow and the subsequent "commensurate" measure on the part of the British authorities.

Russia: No Case for Expelling Alleged 'U.S. Agent'

MM2905191296 Moscow IZVESTIYA in Russian 29 May 96 p 6

[Report by Valeriy Mirolevich: "Nonprofitmaking 'U.S. Agent'"]

[FBIS Translated Text] Voronezh — Voronezh inhabitant and U.S. citizen Charles Swan is packing his bags and preparing to leave for his native country across the ocean, but the preparations are not being made in the best of moods, as is the case with anybody who is getting ready to hit the road not because he wants to but because he has been ordered to leave. P. Maltsev, an oblast migration service official, informed Mr. Swan in his "farewell" letter that the latter must leave Russia "in view of the nonoccurrence of the planned activity" of the "Kontakt-Voronezh" joint-stock company set up by him.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Swan served in the U.S. Department of State. When he retired he surprised his relatives and friends by deciding to go to Russia to help Russians understand Americans and himself to understand Russians by living among them. He was convinced that his lifetime's experience as a typical American self-made man and his contacts in the U.S. business and cultural worlds would expand contacts between entrepreneurs and bring people closer together.

Grand aims, but Mr. Swan believes that great oaks from little acorns grow and that another thread between two great peoples stretched not by state mechanisms but by one person could be even more necessary and stronger. He wrote and published in Russian two books of his beliefs and has prepared another for printing in which he asserts that there is a similarity between the two countries' historical development. In his opinion, the problems which the fledgling United States tackled are reminiscent of Russia's current problems.

Swan selected Voronezh for his work and organized and registered the "Kontakt-Voronezh" open-type joint-stock company. He leased office premises in the "Yunost" cinema, repaired and equipped them, and hired young Voronezh inhabitants with a knowledge of English. In the two and a half years of his open-type joint-stock company's existence local television and newspapers have featured Voronezh's U.S. inhabitant many times: Items and television broadcasts about him have always aroused interest. Instead of deserved rest in a paradise of social well-being he preferred Russian disorder and apparently did not complain about it.

Mr. Swan's firm organized schoolchildren's trips to the United States on which our kids became acquainted with kids of the same age, tried out their English on them, and simply familiarized themselves with life in another country other than from the pages of a textbook. With the help of "Kontakt-Voronezh" a group of Oblast Duma deputies studied the work of U.S. electoral bodies in the United States and dozens of entrepreneurs established mutually advantageous ties with partners across the ocean.

It is not easy to catch Swan in his office. Besides business talks and advertising and enlightenment measures, he is still giving a regional studies course at the university's faculty of Romano-Germanic philology. Moreover, he is doing this free of charge without receiving lecture fees.

"Generally I did not make a good businessman," Swan told me. "In Russian they say 'practice makes perfect.' But it is not like that. I did not come to make money. I like what I am doing and that is more precious than any money. I have made many friends and found many like-minded people."

In the two and a half years of its existence Swan's firm earned only 350,000 rubles [R] — the same as it received from a Voronezh exchange for help in organizing a fair. The firm has done all the remaining organizational "contact" work free of charge. What exactly does it exist on?

The office, staffers' wages, taxes.... The sole source is Mr. Swan's pension. Every month it is transferred to him from the United States and he pays the expenses.

When he set up the joint-stock company it was his intention that the upkeep would be covered by consultancy fees and fees for services to U.S. and Voronezh entrepreneurs. But it did not work out and Swan is spending his pension. The tax inspectorate has estimated that he has already spent R34 million. But at the end of the day this is his personal money and his personal affair.

One can admire this strangeness of Swan's, be surprised by it, or not remark on it but on no account blame him for it. Voronezh officials have deemed this behavior abnormal and suspicious. Audits have been carried out — there is no funny business going on.

"But this just does not figure!" — I was told by the tax inspectorate. "A person receives his pension from abroad and just spends it like that. And there is no profit for the state. Suspicious!"

When they found out that Swan had been ordered to shut his firm down and leave, his Voronezh friends became indignant. Dmitriy Laletin, head of the pedagogical institute's theory and history of culture department, who is very familiar with Swan's activities, wrote in the city newspaper VORONEZHSKIY KURYER [Voronezh Courier]: "It seems to me that in the case of Mr. Swan's firm that old Soviet mentality of ours, which is distinguished by pathological suspiciousness and distrust and the primitive unwillingness to improve, kicked in again. To many Soviet people selflessness was something incredible, suspicious, and even frightening. By not allowing a person to live where he wants to the authorities are directly violating the 'declaration of human rights.' The ban on the activity of Mr. Swan's consultancy firm is perceived as a bureaucratic whim."

Swan knows that under Russian law his firm can be shut down only by a court or a shareholders' meeting. But he has not locked horns with the bureaucrats. He is perfectly well aware of why he is being expelled at this precise time. He started out in Voronezh to the sound of applause in the spirit of democratic changes. On the eve of the unpredictable presidential election the executive branch has turned pink just in case. It was easy to fit the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

U.S. pensioner's selfless work into the old ideological framework: Through rose-tinted spectacles it looks like nothing but propaganda for an alien way of life — the harmful work of an "agent of influence." Moreover, this "agent" is making no profit — the bureaucrats know this through their own efforts.

Russia: Yeltsin Receives German Finance Minister Waigel

LD2905122296 Moscow ITAR-TASS World Service in Russian 1040 GMT 29 May 96

[By ITAR-TASS correspondent Andrey Surzhanskiy]

[FBIS Translated Text] Moscow, 29 May — Russian President Boris Yeltsin received German Finance Minister Theo Waigel in the Kremlin today. The meeting began in a warm and friendly atmosphere. In converesation with his German guest, the Russian head of state expressed his gratitude for the cooperation which, in his estimation, was successfully advancing "the development of reforms in Russia."

Boris Yeltsin asked the German finance minister to convey, as he put it, "a big hello and very best wishes to my friend Helmut Kohl".

Talks between the Russian president and the German finance minister continued behind closed doors. Also taking part on the German side were Juergen Stark, state secretary in the finance ministry, and the German Ambassador to Russia, Ernst-Jorge von Studnitz and, on the Russian side Dmitriy Ryurikov, the president's international affairs aide .

A Russo-German agreement on cancelling dual taxation is expected to be signed on Thursday in Russia's Government House.

Russia: Official Denies Any Moscow Compromise on Karadzic

MK3005054296 Moscow SEGODNYA in Russian 29 May 96 p 2

[Report by Leonid Velekhov, Vladimir Abarinov: "Moscow Will Not Hand Over Karadzic to the International Tribunal. The Foreign Ministry Believes That the Serbs Are Observing the Peace Accords Better Than the Rest"]

[FBIS Translated Text] A high-ranking official at the Russian Foreign Ministry categorically denied the rumor that Russia was ready for a compromise with the Western countries regarding the fate of Radovan Karadzic, leader of the Bosnian Serbs, and was going to seek his resignation and transfer to the International Tribunal in The Hague.

It follows from the diplomat's words that at the meeting of Yevgeniy Primakov with Carl Bildt, special UN and European Union envoy to Bosnia, in Rome, as well as during his visit to Belgrade on Wednesday, [29 May] the minister will not deviate a hair's breadth from Moscow's well-known stance on the Yugoslav settlement. According to the Russian diplomat, the Serbs are observing the Dayton accords "better than any other side," but the Western countries "go on with their unilateral anti-Serbian pressure.

"We regard the line pursued by the International Tribunal as unfair and politically biased, and what is happening now around Karadzic is aggravating enmity and polarizing forces," said the diplomat. From the viewpoint of the diplomat, who was talking on condition of remaining completely anonymous, the latest reshuffles in the leadership of the Serb Republic "are indicative of its readiness to observe the peace accords." At the same time, the diplomat confirmed that the Serb Republic planned to hold a referendum on "whether the Dayton accords should or should not be observed" and expressed his negative attitude to this fact. "Whatever the referendum decides, the accords need to be observed," he concluded.

In accordance with the Dayton accords, people who are charged with war crimes have no right to take part in the general election in Bosnia; they have to resign from political posts and be brought to justice. The accords, however, fail to specify who should arrest these people and escort them to The Hague. The NATO command refuses to participate in the hunt for Karadzic and General Mladic and says that the Bosnian sides themselves need to take care of this. Last week, Carl Bildt and John Kornblum, a U.S. mediator, annoyed at the public appearance of Mladic in Belgrade, demanded that Serbian President Milosevic take measures to arrest the two leaders, threatening that, otherwise, the regime of sanctions would be resumed. Importantly, however, the tribunal in The Hague has not yet issued an arrest warrant for Karadzic and Mladic.

Russia: Official Denies Primakov To Hand Over Karadzic

LD2905145496 Moscow INTERFAX in English 1406 GMT 29 May 96

[FBIS Transcribed Text] ROME, May 29 (Interfax) — A senior Russian Foreign Ministry official has dismissed the rumor that Russian Foreign Minister Yevheniy Primakov, who will pay an official visit to the Federal Republic of Yugoslavia on May 29-30, is going to Belgrade to surrender Bosnian Serb leader Radovan Karadzic.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

A senior Russian diplomat close to Primakov said in an interview in Rome it was most important to keep the peace in the Balkans and that all other issues, including that of war criminals, must be subordinate to that goal.

The official said that "focusing on one problem sounds the wrong message to all other sides and detracts from the really important tasks and thereby poses additional problems to the settlement process. We have been able to see that in recent weeks," he said.

The diplomat described the activity of the international tribunal for former Yugoslavia in the Hague as "biased and politicized." He said that factor considerably increased tensions in Bosnia.

"The Karadzic affair merely increases the potential of hostility, polarizes forces and sets factions against each other," the source said.

He noted in particular that the Bosnian Serbs complied with the peace agreements better than the other signatories. "Everybody recognizes that, including the multinational force command and the chiefs of the civil operation in Bosnia. However, biased pressure on the Serbs continues," the Russian official said.

The diplomat said that Moscow disapproved of the intention of the Bosnian Serb republic to hold a referendum on the need of complying with the Dayton Agreements on Bosnia. "Peace agreements were signed by all parties and must be honored. This is not a question for a referendum; everything was settled a while ago," the source said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Political Issues

Russia: Yeltsin Replies to Readers' 'Awkward' Questions

MM2905135896 Moscow ROSSIYSKIYE VESTI ("Political Wednesday" section) in Russian 29 May 96 pp I-II

[Yeltsin answers ROSSIYSKIYE VESTI readers' questions: "The President Answers Voters' 'Awkward' Questions"]

[FBIS Translated Text] The questions, which concern certain aspects of the president's personal life and a free interpretation of certain features of his character, were long since put into circulation in society by the ideologues of the opposition. Moreover, they were put into circulation at the same time as the answers, which were the handiwork of the same unscrupulous people.

"Awkward" questions, as our reader from Tver, Sergey Koverin, defined them, were also to be found in the mailbag of our "Ask the President, Tell the President" rubric. But the voters are not satisfied by answers to them which derive from, if it may be so put, political folklore. They want honest, firsthand information.

And ROSSIYSKIYE VESTI's readers have obtained it. Satisfying voters' legitimate right to obtain information about the head of state, Boris Yeltsin frankly answers today the most personal and most awkward questions.

The answers to them have also appeared in the book "Fifty-Seven Questions to the Russian President From Voters."

[Question] What kind of family do I have? Does my wife influence me?

[Answer] I have an ordinary family: a wife, two daughters, two granddaughters and two grandsons.

People in the family do not tiptoe around the president, but I am touched by the desire of them all — large and small — to create an atmosphere of calm and warmth.

And all this does, of course, stem from Naina and my daughters. I am grateful to them for this.

Does my wife understand who my friends and enemies are, the logic of my decisions, does she seek to offer advice? It is difficult to say. She has a wonderful sense of everything that is going on. And she reacts, as a rule, in a very self-controlled way.

Protocol lays down that, as head of state, I often have to make official foreign visits together with my wife.

But Naina does not make herself out to be a politician here and never interferes in policy or offers me political advice. Her itinerary during trips around the country and abroad is connected with problems of the family, motherhood, and childhood — with everything that she most values. She has intuitively grasped what she must and must not be. She remains herself, and that pleases me a lot.

My wife often gives me real help. She notices myriad small things which would escape a man.

[Question] What income do I have?

[Answer] I will cite information from my declaration of income for 1994-1995 which I filed with the tax service.

Income for the period 1 January through 31 December 1994:

I earned a salary totaling 15,291,580 rubles [R].

Allowing for tax-free allowances in accordance with the law, I paid a total of R2,190,567 in tax on my salary.

I received royalties of $280,000 (R537,040,000) from Andrew Nurnberg Associates for the book "Zapiski Prezidenta" ["View from the Kremlin"].

Thus the total income I received for 1994 was R552,331,580.

I paid a total of R159,790,851 in tax.

Income for the period 1 January through 31 December 1995:

I earned a total salary of R26,784,596.

Less allowances, I paid taxes of R4,390,216.

I received no hard-currency income.

That deals with the money. Now for property: I have a dacha and my own car.

My wife and I gave [privatization] vouchers to the children; no dividends have been seen for some reason. I hold no other securities or shares.

I have no deposits in foreign banks or property in other countries.

My children and grandchildren have never studied abroad.

[Question] Is it true that that I abuse alcohol?

[Answer] If I say "yes," it will be an untruth.

If I simply say "no" it will also seem unconvincing; in our country, after all, everything is held in doubt until people have checked it out for themselves, and people will also say "What kind of Russian man are you if you cannot drink?"

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

So I will simply say one thing: I can take my drink [mogu vypit], but I do not abuse it!

[Question] Is it true that my health is in a very bad way?

[Answer] As they say in Odessa, don't hold your breath!

Of course, I have had many misadventures in my life. It happens that I have suffered accidents on virtually every means of transport. In planes, on helicopters, in motor vehicles, including trucks, on a train, and once even on a horse — when I was a child.

I have one characteristic for which my nearest and dearest often reproach me — I take everything to heart. Outwardly, it may not be so noticeable, but afterward, when everything builds up unbearably, the system rebels.

Along with the real indispositions which everyone is heir to, rumors constantly arise about my illnesses and various attacks.

Last year I did indeed end up in hospital because of great emotional and physical strain, but the doctors quickly got me back on my feet.

And now there is no time to remember the "headaches," work is in full swing from five in the morning until late at night.

Such a work schedule is usual for me.

I convey many thanks to those concerned about me.

[Question] Is it true that I lack independence and make decisions solely under the influence of my current mood and am dependent on what has been "whispered in my ear" and by whom?

[Answer] These rumors are spread very assiduously. I do not think this is fortuitous. Exploiting my dislike of public appearances on television, some people try to foist on society the image of a weak politician who gives in easily to pressure.

I repeat once again: I always make decisions myself, my aides merely get them into a state of readiness and prepare the actual text. Whether the decisions are right or not, they are always the result of a very difficult choice.

And I cannot abide "gossip-mongers."

[Question] Why do I "sell" some of my comrades-in-arms while others "I take from who knows where"?

The word "sell" has nothing to do with the management of the state. It is a term that comes from criminal slang.

Objectively, the circle of people who work with the state's top official are bound to change over time. Particularly if their arrival in politics coincides with an era of changes, when developed structures are lacking, there are no well-organized teams of people, and state institutions have no clearly demarcated and established functions.

The state leadership in a stable society must be picked not on the principle of "whose man" a person is but on the basis of experience and professionalism.

Unfortunately, in situations of chaos and drastic change you initially have to choose people to some extent "out of nowhere," relying on intuition.

But there is another facet to the problem.

People now are simply very keen to get into politics. However, professional ethics are completely lacking in many of our politicians. There are no traditions of political conduct. And that is why we often have to look not just at professional attributes but at personal qualities too. And after all, a person can change, and not always for the better, in a new situation, a situation of high-level authority.

And the third main cause, as I see it, of the changes in the team is as follows. In Western politics when a new president comes to power he brings in a new team , people are put into ready-made posts: The priorities are well known, they have taken shape over virtually centuries, the techniques are well honed, you sit down and set to it. After all, it is no secret that a considerable part of the executive apparatus is left in place by the Democrats for the Republicans to inherit, and vice versa.

But we have a quite different situation in our country.

There have been other, pretty major reasons too: Events have developed at a headlong pace, and the political backdrop has been constantly changing. No other large country has experienced as many upheavals in recent years. And this has dictated the need for cadre changes, although I personally find this process truly agonizing.

[Question] Why have I not kept my promise (not lain down on the rails)?

[Answer] There are indeed citizens who often pose the question: "Why have I not lain down on the rails?" Even rallies are organized on this topic. Articles are published in newspapers virtually every day. On the front page.

And they all amount to one thing — it is time for you to go. We are tired of waiting here for the train to pass and the Kremlin to be vacated.

In April 1993, at the most difficult time for our economy and social stability, I did place my head on the "rails" by way of a national referendum on confidence in me and the policy of reforms. Would the "Bolshevik armored car" crush our resolve to build a new Russia or not?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

It failed to do so.

People always expect far more from politicians than they can deliver — immediate improvements in the life of every voter!

But changes do not take place immediately — they come about gradually.

I am not going to make a song and dance here and enumerate — what is done is done.

The most important thing is that we together restore Faith. Faith in Russia, faith in God, in ourselves, in our own strength and ability.

[Question] "Isn't it time for you to move over, granddad?"

[Answer] What you have started cannot be abandonded midway, particularly when the situation is still very unstable. If we get over the final crisis together, that means we will have won.

And as for the "granddad" tag, as it were. I am a granddad, four times over even, I do have four grandchildren, after all.

But if this is a reference to age, then it does not apply to men from the Urals and Siberia — we are completely forbidden to get married before the age of 35 because we are still too young and lacking in independence.

In my family all the grandfathers and grandmothers have lived into their nineties. And they did not simply live for a century, they worked, plowed the land, and brought up large families. Compared with them, it could be said that I am still quite "green."

In other words, I do not intend to move over.

Russia: Yeltsin Shows 'Best Qualities' of President on Chechnya

MM3005101296 Moscow ROSSIYSKAYA GAZETA in Russian 30 May 96 p 1

[Commentary by Mikhail Gurevich: "The Words and Deeds of the President"]

[FBIS Translated Text] The signing in the Kremlin of the Agreement on the Cessation of Combat Operations in Chechnya and the visit to Chechnya that followed the next day have every chance of becoming not only the strongest episode in Boris Yeltsin-the- candidate's election campaign, but also one of the key events of this year.

Yeltsin-the-politician demonstrated the best qualities that should characterize a state figure of the rank of president. These are the skill to organize negotiations and the capacity to hold dialogue with serious opponents, civic and human boldness, and also the ability to keep one's word. He said that he would go to Chechnya, and he went.

The visit was not long, but it could not be called purely "ceremonial." But the very presence of Yeltsin surrounded by tanks and armored personnel carriers and the signing of edicts actually on board an armored vehicle are simply an evocative symbol of the past five years. This is how Yeltsin has always marched toward victory — determined and purposeful.

The events of Monday and Tuesday showed that the president does not intend to rest on his laurels. After all, it is clear both to the parties to the talks and to everyone else that the signed documents are only the beginning of the far from straightforward and by no means short road whose aim is peace in Chechnya and the preservation of Russia's integrity.

Russia: Christian Democrat Aksyuchits Interviewed

964F2290A Moscow PRAVDA in Russian 22 May 96 p 2

[Interview with Viktor Aksyuchits, leader of the Russian Christian Democratic Movement, by Yevgeniy Khavanov; place and date not given: "About Russia—With Tragic Optimism"]

[FBIS Translated Text] V. Aksyuchits, leader of the Russian Christian Democratic Movement, believes that Russia's salvation and the preservation of its statehood and national traditions are the principal objective of the party he leads. This is the subject of the conversation with him conducted by political scientist Yevgeniy Khavanov.

[Khavanov] Viktor Vladimirovich, I interviewed you for PRAVDA two years ago. What changes have there been in this time in the ranks of Christian democracy?

[Aksyuchits] We do not conceive of ourselves as being separate from Russia and its history. Russia is continuing its road to Golgotha. The first cause lies in such a substance as the soul—the soul of each man individually and the conciliary soul of the people. It is a question of a sickness of the soul, curing which is the purpose of Christian policy.

[Khavanov] The road to Golgotha.... You probably distinguish some stages on it....

[Aksyuchits] Yes, of course. If we are speaking of the stage at which Russia and all of us find ourselves today, of the stage that began in August 1991, its particular features consist of the swift coalescence of power and capital and the emergence of capitalism—nomenklatura

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

and bureaucratic-mafia capitalism. The present government of raw-material merchants, squandering national property, is creating not so much a middle class encompassing a majority of the population as a narrow stratum of "new Russians," which is alone profiting from each and every "plunderization."

Russia is sick. But it can be cured, not by destroying the body, by which I mean statehood, but by delivering it from parasites. In power today is the second echelon of the nomenklatura. The first—the perestroyka nomenklatura—ravaged the country. This one is dissipating it. Death-throes are sensed in the upper strata. Several years ago, being introduced to big politics, I felt as if I was in a ward for the mentally ill.

[Khavanov] What, then, are you opposed to the creation of a middle class?

[Aksyuchits] By no means. A middle class encompassing a majority of society is essential. But it must grow naturally, from people capable of managing production. I am opposed to the artificial cultivation of billionaires, who have separated out as a result of the nomenklatura distribution of state capital. They are capable merely of squandering this capital, but not of holding on to it. Nor will it be held on to by their children, who attend kindergarten under guard and who even at this age sense animosity on the part of society.

[Khavanov] What do you see as the ideal society for Russia?

[Aksyuchits] I am for a strong centralized, personified authority combined with strong self-government locally, in other words, for a constitutional monarchy. But I never propose it anywhere to anyone because the idea itself must mature in the consciousness of the people and can emanate only from them. Until the people are ready for this, I am for a presidential republic.

[Khavanov] You are in principle, that is, for the regime that exists in Russia today?

[Aksyuchits] In form. In substance it is antinational: It has made a mess of the country and is oriented toward Western models. Can we really be on its side?

[Khavanov] And your attitude toward the Communists, toward Zyuganov?

[Aksyuchits] Zyuganov is a sober politician. I read the author's summary of his doctoral dissertation, which he gave me as a gift. I noticed that he regards Marx, Engels, and Lenin as figures of the 19th century and the start of the 20th. He appeals to the works of Ilin, Bulgakov.... This means that the leader of the CPRF builds his opinions on realities, on national Russian foundations. But some of Zyuganov's propositions are not underpinned by historical experience....

[Khavanov] Viktor Vladimirovich, you were victorious at the parliamentary elections in 1990, operating from the standpoints of criticism of the communist nomenklatura, the CPSU. In 1995 you operated from the same standpoints, but the electorate no longer supported you, preferring a member of the CPRF. Does it not seem to you that there have been changes in the country? Do you not now regret your election tactics?

[Aksyuchits] I do not regret them. We are not, after all, working for the current moment but for the long term. I lost, I believe, primarily owing to our party's inadequate organizational network locally.

[Khavanov] The press expresses a different version: You lost the elections because you did not deal only with the problems of believers but went into big politics, joined the anti-Yeltsin front. Do you agree?

[Aksyuchits] Absolutely not. If we are a political party, can we remain outside of politics? And if we are patriots and state absolutists, could we have failed to have opposed the Belovezhskaya pact, the breakup of the country, the national betrayal?

[Khavanov] But you do not participate in the national-patriotic movements either....

[Aksyuchits] We did, but we were not wholly successful. The devil is in the details. In 1992 our party was able to form the Russian National Assembly, which was broad in terms of social composition. And all of a sudden one of our colleagues proposed that it be converted into the extremist, wholly incapable National Salvation Front.... We were forced to quit this association. A further example: We joined the perfectly respectable Derzhava patriotic association with the respectable leader of A. Rutskoy. We began work and prepared for the elections. And suddenly the Zhirinovskiyite Kobelev comes to Rutskoy, and a restructuring of Derzhava begins. Into God knows what. We had no choice but to leave it....

But we are in principle for cooperation with all who are for Russia, for statehood, for spirituality, with the Communists included. I spoke about this in the interview with PRAVDA two years ago. Our position is unchanged.

[Khavanov] Doubts are being expressed as to the democratism of the RKhDD [Russian Christian Democratic Movement]. I do not believe it is a question of your monarchism here. Monarchism, especially constitutional monarchism, does not, as we know, prevent many European countries remaining democratic. But I

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

have myself noticed that frequently, when appearing in public, you drop the word "democratic" from the party's name. Fortuitously?

[Aksyuchits] No, not fortuitously. And primarily because the concept of Christianity in itself contains the supreme justice and equality. Need this be repeated in the name? But we did, for all that, repeat it at the time the RKhDD was formed (1990). Democracy was at that time on the upsurge, and everything good was connected with it. I believe that it is we who are the true democrats. But in these years the concept of democracy has become so vulgarized that it is not always convenient to talk about one's commitment to it in decent company. At our congress we decided to change the party's name. But another question surfaced: In order to do this we have to undergo reregistration at the Ministry of Justice. And we are not sure that it would go smoothly, that we would not be closed down. So officially we are sticking to our former name.

[Khavanov] Does Christian democracy have a future in Russia?

[Aksyuchits] First about its roots.... If we take Christian democracy of the Western model, we do not as of this time have such roots and traditions. But if we are talking about Christian policy in general, with its humanism and orientation toward human souls, the future undoubtedly belongs to it.

[Khavanov] Were the RKhDD in power, what would you do first?

[Aksyuchits] Well, this does not threaten us.... But there are very many problems, we could begin with any of them, with the tax system, for example. It is currently based on the suppression of all possible competitors of state-nomenklatura capital. Taxes are paralyzing the small and middle manufacturer....

[Khavanov] And what about Chechnya?

[Aksyuchits] The Chechnya problem exists only to the extent that the present regime finds necessary. As far as we are concerned, we would persuade the State Duma to adopt, let's say, some law on temporary (for five to seven years) sovereignty for Chechnya and would build relations with it as a foreign state, without any privileges for it. I am sure that by the end of this time the most irreconcilable separatists would themselves come crawling back to the borders of Russia.... As Georgia came to us, thanks to which the Georgian people were preserved historically.

[Khavanov] You have defined your attitude toward the situation in Russia by the formula "tragic optimism." As regards tragic, things are, it would seem, clear. But on what is your optimism based?

[Aksyuchits] I have faith primarily in the survivability and long-suffering nature of the Russian people. Despite the tragic nature of our situation, they are keeping up their spirits and faith in their strength and in the future. They respect those who are worthy of respect. And this is something. I have faith in the intelligentsia, particularly the provincial intelligentsia. The Moscow intelligentsia is, as we can see, infected by viruses of ideology. Holding sway in the news media, it listens to the regime and the international lumpen for whom nothing is sacred and who have no national roots but merely a mercenary interest and who are constantly acting as mimics, depending on who is at the helm of the state.... In the heartland the intelligentsia is different, it represents not only the intellect but also the conscience of the nation.

I have faith in the young people, who, despite all the destruction of statehood exceeding in scale the Stalin ravages, are not letting down. I have faith in the students, in their inquiring mind and desire to understand everything. This is the main prerequisite for finding the truth. I have faith in the patriotic forces, which, having united, will know how to defend Russia and its statehood and historical traditions.

Military Issues

Russia: Yeltsin 'Satisfied' With Defense Minster, Officials

LD2905161996 Moscow ITAR-TASS World Service in Russian 1415 GMT 29 May 96

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Translated Text] Moscow, 29 May (ITAR-TASS) — Russia still has a problem of military security, Russian President Boris Yeltsin said today when addressing the top ranks of the army and navy at a services conference in Moscow.

According to Yeltsin, the countries of the West and the United States are still following a line of consolidating their leading position in the world. They are trying to use the changes in the international situation in their own interest, moving their NATO military machine eastward.

"As early as 1992 we became convinced that we needed a review of approaches to military building. Russia needs a modern, combat-ready, mobile army capable of ensuring the defense and security of our state," the president stressed. "We also need to take account of the fact that the danger of a major war developing has reduced considerably. Changes in Russia's geopolitical

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

position have required the setting up of new groups on basic strategic lines."

According to the head of state, in a short period of time a unique relocation of troops from the territories of other states has been carried out. In less than four years around 1.2 million people and tens of thousands of pieces of combat equipment have been brought back to Russia. There has been nothing like it in all the world. Contract service has become a reality. A great deal has been achieved in dealing with social problems, in particular a program for building servicemen's housing has been launched. This program envisages more than 120,000 apartments being built in 1996-97.

"Overall, I am satisfied with the work of the top ministry officials and the defense minister," Boris Yeltsin stressed.

Russia: Gromov Seen as Most Likely To Replace Grachev

MK2905134196 Moscow MOSKOVSKIYE NOVOSTI in Russian
No. 21, 26 May-2 Jun 96 (signed to press 27 May 1996) p I

[Unattributed report: "Storming Military Olympus"]

[FBIS Translated Text] Documents made available to MOSKOVSKIYE NOVOSTI by persons close to the president shed some light on how a replacement for Pavel Grachev is being looked for and what sort of struggle of various forces is behind it.

Judging by these documents three candidates for the position of head of the military department came under very serious scrutiny right from the start. At the very least, detailed profiles of Andrey Kokoshin, Mikhail Kolesnikov, and Andrey Nikolayev were prepared. Notably, the profiles stressed the critical assessments that the candidates needed to become war ministers. It may be the accepted practice in solving personnel problems at the top level, but someone, uninitiated in the secrets of personnel policy at the top, has the impression that these profiles were compiled in such a way as to leave no chance for any of the candidates proposed to the president.

It is not ruled out that it is precisely because of the struggle that flared up between the various forces for the position that Boris Yeltsin made the unconventional move of asking Boris Gromov to join his team. If he is appointed defense minister, the president would thereby have as head of the Defense Ministry someone who is one hundred percent his own man, because Gromov alone, set in the center of this struggle for the army throne, can in the future count on presidential support. This support can only be earned by being loyal to the Supreme Commander. Certainly most account must have been taken of such of Boris Gromov's qualities as being true to his word. If he makes the vow (or has already made it) to support the president to the hilt, one cannot fear any betrayal on his part. This general is a total stranger to behind-the-scenes games, something of which the president has had many occasions to become convinced.

Pavel Grachev's team, which is well practiced in court scheming, seems to have seen through the president's personnel maneuver and is trying to prevent its implementation. We have managed to learn that a whole team in the Defense Ministry military policy directorate is working untiringly to fabricate incriminating evidence against Boris Gromov, which is supposed to be put before the president not later than 1 June.

The last word will be the president's, and he will apparently say it rather soon.

Russia: No Comment From Gromov on Rumored Defense Minister's Post

LD2905162096 Moscow NTV in Russian
1800 GMT 28 May 96

[From the "Segodnya" newscast]

[FBIS Translated Text] The Russian politician who has given the fullest appraisal of the [Kremlin Russian-Chechen] talks is State Duma Deputy Boris Gromov, who is currently in Saratov. Many people, incidentally, reckon he is the most probable candidate for the post of defense minister.

[Unidentified correspondent] Boris Gromov — the most likely successor to Pavel Grachev in the post of defense minister — learned the results of the negotiations on a Chechen settlement while on a visit to Saratov. The Afghan veteran general declared that he welcomed President Boris Yeltsin's decision to meet separatist leader Zelimkhan Yandarbiyev face to face. Gromov takes an optimistic view of the prospects for the peace dialogue.

[Begin Gromov recording] I fully welcome what was signed in Moscow yesterday, because however it might be, the point is to stop the bloodshed. In my view, it is also very important that the Chechen side, including the fighters, came to Moscow. [end recording]

[Correspondent] As for Zelimkhan Yandarbiyev, General Gromov regards him as a wholly appropriate partner in the peace talks, albeit not an ideal one.

[Begin Gromov recording] A great deal will depend upon Yandarbiyev, too, and I think that at these negotiations issues relating to those who do not actually

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

obey orders from Yandarbiyev and who do not obey orders from Doku Zavgayev either will probably have to be worked on, also. [end recording]

[Correspondent] Experts have long been saying that many soldiers and officers fighting in Chechnya are too embittered, and therefore may not obey the order to cease hostilities. Gromov, however, thinks things are not so bad.

[Begin Gromov recording] On the one hand, of course, there is this. On the other, I am sure that we must at all costs prevent this from happening — the help of our state, with the help of some organizations of some sort, of foundations, with the help of the Afghan veterans, for example, with the help of ordinary, normal people, with the help of parents. [end recording]

[Correspondent] Gromov refuses to comment on the rumors of his appointment as defense minister, and asserts that personnel questions were not touched upon at his recent meeting with Yeltsin. It is not yet known whether Gromov will get the ministerial portfolio, but this question is not unimportant. For even now one can presume it very probable that Minister Gromov, whose memory of fighting in Afghanistan is still fresh, will not try and use crude force to untie the Chechen knot.

Russia: Lebed Seen as 'Natural' for Defense Minister's Post

LD2905190896 Moscow ARGUMENTY I FAKTY in Russian 29 May 96 p 2

[Unattributed report: "Political Salad" Column]

[FBIS Translated Text] Persistent rumors are continuing that Defense Minister Pavel Grachev will soon move to another high-ranking post. It seems it is being said that he will either be Russia's representative at NATO or the coordinator of cooperation between the Armed Forces of the CIS countries. It seems that Boris Yeltsin is being forced to take this step because the appointment of a new defense minister may help increase the numbers voting for him.

Retired general Aleksandr Lebed has been seen as the primary and completely natural candidate for this post. The Army respects him and he is quite capable of reducing the tension connected with the war in Chechnya and the wretched situation of the servicemen. According to our information, Yeltsin has reluctantly made a similar proposal to him recently. But evidently, the general's sacred belief in his victory in the presidential election did not permit him to accept this gift of fate. Then the possibility of another candidate emerged, a second general — State Duma Deputy Boris Gromov. It is known that Viktor Chernomyrdin and Viktor Ilyushin support his return to the Defense Ministry.

Russia: Yeltsin Outlines Planned Military Doctrine Refinements

LD2905163296 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 29 May 96

[From the "Novosti" newscast]

[FBIS Translated Text] [Announcer Sergey Lomakin] An extended sitting of the Ministry of Defense Collegium was held in Moscow today. In particular, measures for implementing the cease-fire agreement in Chechnya were discussed. Here is our correspondent with further details.

[Vladimir Polozhentsev] Boris Yeltsin, the supreme commander of the Russian Armed Forces and the president of the country, was present today at a conference of Ministry of Defense chiefs. Once again he thanked the joint group of the federal troops in Chechnya for accomplishing their task. The soldiers and officers have halted the spread of international terrorism, and during the talks with Zelimkhan Yandarbiyev an agreement was reached to free all forcibly detained persons within two weeks. Now, the main thing is not to let the rebels bounce back. All attempts by them to destabilize the situation afresh must be dealt with firmly.

We have to carry out the military reform, the Russian president said. We need a professional army. In Chechnya, the first year conscripts often had to face seasoned fighters. It will be sufficient for Russia to have about 10 divisions instead of hundreds of them. But they must be manned with professional soldiers.

Several tasks must be accomplished within the next five years, namely, maintaining the strategic nuclear forces; reducing the number of the Armed Forces in line with the country's potential; providing the Army with sufficient funding and necessary weapons, and improving the system of management of the troops.

[Begin Yeltsin recording] Very shortly, I intend to send a message on national security to the Federal Assembly. On the basis of the message we are to refine our military doctrine. Its fundamental principles currently in force were adopted in 1993, before the new constitution was adopted. The message on national security will lay the foundation for further work on the military doctrine.

Esteemed comrades, as supreme commander, I assure you that for my part I will do my best to support the Army and the Navy in every way. The government has just reported to me that the federal budget debts to the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

power ministries and departments for 1995 have been paid in full. The wages for the past few months in 1996 have been paid. This required an extra 5.1 trillion rubles [R] from budget expenditure. In May alone it took R2 trillion from the budget and R420 billion in bills of credit and 5.25 trillion rubles in treasury tax exemptions. [end recording]

[Polozhentsev] However, it is most important that the funds allocated for the Army reach their target. Defense Minister Pavel Grachev told the president that all the tasks he had outlined are clear. Speaking of Chechnya, he confirmed that all the Ministry of Defense units, with the exception of the North Caucasian military district and the special purpose brigades, will be withdrawn from the republic by 1 August. Every round fired must now be agreed with the minister of defense personally or the chief of the general staff.

Russia: Yeltsin: Defense Factor Determines Global Position

LD2905153096 Moscow ITAR-TASS in English 1356 GMT 29 May 96

[By Andrey Surzhanskiy]

[FBIS Transcribed Text] MOSCOW, May 29 (Itar-Tass) — President Boris Yeltsin today said the country's defense industry was a factor determining Russia's position in the world.

"Russia's position in the world and its great power status is to a great extent determined by the highest level of its defence industry," Yeltsin said in his address to the conference of representatives of the country's defence industry in Moscow today.

Yeltsin explained that many products of the Russian defence industry had better performance characteristics than those manufactured in other countries.

Yeltsin admitted at the same time that the country's transition to a market economy dealt a heavy blow to the defence industry and it was facing a difficult task of working out measures that would propel the industry towards new frontiers and make it the most effective sector of the national economy.

Yeltsin said the conference in Moscow's House of Unions was called specifically for that purpose.

The Russian President stressed that the on-going conversion of defence enterprises to civilian production must not reduce the country's defence capability. The industry's unique research and technological potential must be managed in a way that will make it useful in fullest measure both for the country's defence capability and for the manufacture of dual-purpose products.

He said the country's armed forces are now entering a new phase of reform and beginning a gradual transition to an all-professional army. To make the transition successful it is necessary to upgrade the effectiveness and reliability of arms and make their production more cost-effective, as well as find new approaches to training and technical servicing. All this calls for renovation of forms of interaction between the military and the industry, the President stressed.

He said the key problems of the defence industry were connected with the need to strengthen its research and personnel base and create economic conditions for upgrading military and dual purpose technology. He also said Russia must increase production of state-of-the-art arms and enhance its export potential in this field.

As concerns Russia's arms exports, Yeltsin pointed out that positive shifts had been made in this sphere. Russia's earnings from arms exports in 1995 exceeded three billion dollars and it has received orders valued at more than seven billion, Russian President Boris Yeltsin said.

According to him, the organisations and departments in charge of this sphere must coordinate efforts in creating conditions for further growth of exports of Russian arms.

As concerns financing and government support of defence enterprises, Yeltsin recalled that he had signed a special decree on the matter. He described the decree as an important document and said the defence industry now received more support than in any of the preceding reform years. Bank loans to the industry have reached three trillion roubles, he said.

Yeltsin also touched on the problem of delayed wages and the government's debt to the defence enterprises. He said the defence enterprises will be granted deferment of federal tax payments for the period during which the government will be repaying its debts to the industry.

He also said he had ordered the government to provide funding for conversion programs on a quarterly basis instead of paying for work done to fulfill state orders at the end of the year.

Russia: Yeltsin Promises Support for Defense Complex

LD2905084096 Moscow INTERFAX in English 0818 GMT 29 May 96

[FBIS Transcribed Text] MOSCOW, May 29 (Interfax) — The Russian arms exports last year exceeded $3 billion and arms orders were worth $7 billion, President Boris Yeltsin said at the opening of the all-Russia

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

conference of defense industry workers in Moscow Wednesday.

"In many countries we have excelled our U.S. competitors," he said, adding that Russia has made great progress in arms exports.

He urged the workers of the defense complex to enhance the efficiency of their enterprises and reliability of armaments, and make the weapons less expensive, given the transition to a new stage in the military reform and the forthcoming change-over to military service on a professional basis. Military conversion must not tell on the defense capability of the country, he said.

He noted, at the same time, that "the unique scientific and technological potential of the arms industries should be used with the maximum benefit for the country's defense capability and in the interests of putting out dual-purpose and civilian equipment." In this connection he said that the arms complex should work out measures that would make it a highly efficient branch of the national economy.

He said that the transition to market relations "had a strong impact on the defense industry" and ennumerated economic measures taken by the Russian leaders to help the defense enterprises to overcome the crisis. Among them are a series of presidential decrees easing the financial problems facing the arms industries. The Russian government has been instructed to ensure a quarterly and proportional financing of the military-conversion programs, he said.

He spoke in detail about the need to exercise efficient control over state property. He said, among other things, that no decisions will be taken on the privatization of defense enterprises without agreement with the federal commission for the privatization of defense enterprises. He admitted that "quite a few mistakes have been made" in the the economic restructuring of the country in general and of the defense complex in particular. As an example he referred to "the failure to take the interests of the defense complex into account while privatizing allied industries, including the chemical, metallurgical and light industries."

He said that the work to create laws regulating the operation of the defense complex should be improved. "This is a common problem facing the law-makers, government and representatives of industry," he said.

"I will continue to pass decrees that will help solve the most urgent problems facing the defense complex," he said.

The conference is attended by Prime Minister Viktor Chernomyrdin, First Deputy Prime Minister Oleg Soskovets and Mayor of Moscow Yuriy Luzhkov.

Russia: Yeltsin Signs Edict on Military Service Discharge

LD2905172996 Moscow INTERFAX in English 1457 GMT 29 May 96

[FBIS Transcribed Text] MOSCOW, May 29 (Interfax) — Russian President Boris Yeltsin has issued a decree providing for the discharge of servicemen who have served not less than 18 months and have fulfilled tasks in the armed conflict in Chechnya and Tajikistan continuously during six months and more, or during less than six months but have received wounds or shell-shock.

The above-mentioned groups of servicemen will be considered as equal to the servicemen who have served the term of military service established by the law on conscription in line with the Decree On Additional Measures for the Social Protection of Servicemen Serving under Conscription, the presidential press service told Interfax Wednesday.

The duration of the military service will be cut down for those servicemen who are on military service on call-up and who have not used their basic and additional leaves as stipulated by Russia's legislation.

Yeltsin also ordered "to forward, if possible, servicemen who are serving on conscription and who have children or ill relatives or pensioner parents to serve near their place of residence."

The above-mentioned groups of servicemen will be granted quarterly compassionate leaves, in addition to basic leave, for three to five days in order to render necessary aid to their families.

Russia: Yeltsin Edict Establishes "MAPO" Aviation Complex

MK2905122196 Moscow NEZAVISIMAYA GAZETA in Russian 29 May 96 p 2

[Report by Igor Korotchenko: "Aviation Industry on Elections Eve"]

[FBIS Translated Text] "A timely, important and very serious step" — is how Boris Kuzyk, the Russian Federation president's adviser for military-technical cooperation with other countries, described the creation of the VPK [Military-Industrial Complex] "MAPO" [Moscow Aviation Production Association] which brings together the country's leading enterprises of the military and civil aviation industry. Under President Boris Yeltsin's edict,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the VPK "MAPO" is made up of 12 enterprises, including Moscow's "MiG" aviation Production association (developer and producer of MiG-29 frontal fighter plane and the MiG-AT trainer plane), the "Kamov" joint-stock company (developer of on-board radio electronic aviation equipment), as well as the AKB [Aviation Design Bureau] and "Aviabank" which serves more than 200 enterprises and organizations of Russia's aviation industry complex. Addressing a press conference devoted to the creation of the Russian Federation's biggest company for the development, production and sale of modern high-tech aviation systems, Boris Kuzyk underlined that the "realization of such projects as the VPK 'MAPO' as well as a number of others to be announced shortly, would form the basis of structural transformations in Russia's military-industrial complex."

Enterprises that are part of the VKP "MAPO" already have had a successful experience of conducting independent foreign economic activity, and they intend to widen the scale of business activity abroad through creating joint firms to provide all-around servicing, modernization and repair of the fighter planes sold. MiG-29's were sold to Hungary, Slovakia, Romania, Iran, India and Malaysia in the period from 1993 to 1995. The leaders of the VPK "MAPO" think their main task today is to widen export and enter new air-combat equipment markets — including some that are not traditional for Russia. The sphere of the new company's vital interests are the countries of Asia, the Middle East, Africa, and Latin America where the VPK "MAPO" intends to edge out its Western "Lockheed," "Dassault," and "British Aerospace" competitors. There are certain hopes for entering the West German market, especially because the VPK "MAPO" has its own lobby in Bonn. For example, Brigadier (retired) Manfred Opel, Bundestag deputy, is actively speaking for the FRG's pulling out of the Eurofighter-2000 project and for equipping the Luftwaffe with MiG-29 planes. However, the VPK "MAPO" company's interests are not alien to the Kremlin either. Many people know that in the course of the recent visit to the Russian Federation by the FRG leader and in the joint visit to the Russian steam bath that followed, Boris Yeltsin was persistently persuading his friend, Chancellor Helmut Kohl, to favor the idea of repaying part of Russia's debt through the supply of 200 MiG-29's — worth 4 billion marks.

Considering that the Arsenyevskoye Production Association has expressed the wish to join the VPK "MAPO," one can expect in 1997 the start of mass production of the Ka-50 combat helicopters ("Black Shark") which at the present time has no analogs abroad.

Russia: Chernomyrdin Meets With Border Guards Personnel

MM3005101796 Moscow KRASNAYA ZVEZDA in Russian 30 May 96 p 1

[Report by Vitaliy Strugovets: "Russia Needs United System To Ensure Border Security"]

[FBIS Translated Text] The coordinator of this system [reference to headline] should be the Federal Border Service [FPS], Russian Federation Prime Minister Viktor Chernomyrdin stated at a meeting with leading FPS personnel.

Noting the dynamic nature of the FPS' development, the head of government set the priorities for improving the border service, naming the main priorities as creating a full-scale Border Troops force grouping disposed in depth and its command and control system, interstate cooperation in the border sphere, and the mandatory presence of Russian Border Troops on all parts of external CIS borders.

Russia: Arms Industry Chiefs Introduced to New Ministry

MM3005115496 Moscow Russian Television Network in Russian 0430 GMT 30 May 96

[From the "Business Russia" program: Video report by Aleksey Bogatyrev from all-Russia conference of defense industry staff which defined Ministry of Defense Industry tasks for 1996; figures in brackets denote broadcast time in GMT in hours, minutes, and seconds]

[FBIS Translated Text] [043141] [Bogatyrev over video of conference] The conference is, as it were, an official introduction of the ministry to defense enterprise directors. Changes in state policy in respect of the military-industrial complex made it necessary to create a new management structure. This is how the Ministry of the Defense Industry came into being. Its task is to turn Russia into a leader in the world arms market. Despite the fact that revenue from arms exports decreased to less than one-sixth over the past ten years, a certain stabilization and even an increase in foreign orders have been observed of late, Boris Yeltsin reported to the conference.

[Yeltsin voice] Last year revenue from arms exports totaled more than $3 billion. Orders currently stand at $7 billion.

[Bogatyrev] The world market exacts high quality, and that in turn depends directly on the conditions in which Russian enterprises are operating. Last year the defense order was funded 95 percent. However, at the same

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

time the debt to defense enterprises stands at six trillion rubles [R]. In order to resolve these problems, the president has authorized the Ministry of Defense to take up credits of R5 trillion from commercial banks. In addition, the Cabinet of Ministers will approve a weekly time-table today for funding conversion programs. Tax liabilities of defense enterprises are also being significantly reduced.

Documents adopted at the conference note that the changes which are being introduced are capable of creating within two years all the conditions necessary for a normal development of the Russian defense complex.

Aleksey Bogatyrev, Anatoliy Petrov reporting for the "Business Russia" program. [043306] [video shows conference and closeups of various air defense systems displayed at Nizhniy Novgorod arms fair]

Federal Assembly

Russia: Legislative, Regulatory Documents 19-25 May

96P50086

[FBIS Report] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parens indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION 1: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

Chernomyrdin-Signed 3 April Government Directive No. 547 On Financial Aid For Conversion Of Mari El Republic Defense Complex Installations. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 6) (150) (Text)

Chernomyrdin-Signed 15 April Government Decree No. 462 On Amendments To Statute On Russian Federation Social Insurance Fund. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 6) (lOO)

Chernomyrdin-Signed 15 April Government Decree No. 464 On Federal Targeted Program 'Internal Waterways Of Russia' For 1996-2000; Accompanied By Text Of Program. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 4) (450/3600)

Chernomyrdin-Signed 15 April Government Decree No. 468 On Service For Settling Collective Labor Disputes; Accompanied By Text Of Statute Thereon And Commentary by Lyubov Volkova. (Moscow ROSSIYSKAYA GAZETA in Russian 22 May 96 p 6) (500/800/900)

Collection Of Chernomyrdin-Signed Government Directives — No. 624 Of 17 April, Nos. 772 And 782 Of 17 May — On Cultural And Veterans (Pensioners) Issues. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 6)

Chernomyrdin-Signed 19 April Government Directive No. 642 On Facilitating Implementation Of President's Instruction Of 22 February And With A View To Ensuring Proper Order In The Utilization Of Government Communications Telephone Apparatuses. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 6) (350) (Text)

Chernomyrdin-Signed 22 April Government Directive No. 648 On Rendering Special Assistance To Citizens In A State Of Intoxication, Accompanied By Comment From MVD Public Order Main Administration Chief Golubev. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 6) (100/500)

Chernomyrdin-Signed 23 April Government Decree No. 502 On State Support For Shipment Of Output (Commodities) To Regions Of Extreme North And Equivalent Localities In 1996; Accompanied by Report On Sate Duma Appeal To Chernomyrdin In Connection With Critical Situation In Said Regions. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 6) (1400/350)

Chernomyrdin-Signed 23 April Government Decree No. 519 On Ensuring Safe Operation Of Hydraulic Structures. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 4) (450)

Chernomyrdin-Signed 1 May Government Decree No. 544 Amending 1993 Government Decree No. 941 On Calculating Length Of Service And Pensions And Benefit Payments For Categories Of Armed Forces And Internal Affairs Servicemen And Their Families. (Moscow ROSSIYSKAYA GAZETA in Russian 22 May 96 p 4) (250)

Chernomyrdin-Signed 8 May Government Decree No. 574 On Approving Statute Governing Procedure For Export And Import Of Nuclear Materials, Equipment, Special Nonnuclear Materials, And The Corresponding Technologies. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 3) (450) (Text)

Chernomyrdin-Signed 8 May Government Decree No. 575 On Approving Statute Governing Procedure For Monitoring Export From RF Of Dual-Use Equipment And Materials And The Corresponding Technologies Utilized For Nuclear Purposes And Whose Export Is

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Controlled. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 3) (550) (Text)

Yeltsin 8 May Edict No. 685 On Main Areas Of Tax Reform In Russia And Measures To Strengthen Taxation And Payment Discipline; Accompanied By Listing Of Minimal Values Of Proportions Of Tax Revenue Receipts In Budgets Of Differing Levels; And Footnotes. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 3) (3550 Plus Tabulation And Footnotes)

Yeltsin 12 May Edict No. 692 On Granting Investment Tax Credit To Defense-Sector Enterprises Of Udmurt Republic. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 6) (350) (Text)

Government 13 May Decree No. 577 Approving Federal Targeted Program "Social And Radiation Rehabilitation Through The Year 2000 Of Urals Region Population And Territories Which Suffered As A Result Of The Activity Of The 'Mayak' Production Association," Plus First Four Sections Of Program (To Be Continued In Next Edition Of Economic Union Section). (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 9) (400/4800)

Yeltsin 15 May Edict No. 718 On Questions Of Russian Federation State Tax Service (Increases Pay Of Tax Officers). (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 5) (600)

Yeltsin 16 May Edict No. 719 On Amendments And Additions To Appendix To Presidential Edict No. 639 Of 2 May 1996 'On Transfer To Krasnoyarsk Kray Of Federally Owned State Enterprises And Shares In Joint-Stock Companies Formed During Privatization Process.' (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 5) (150)

Yeltsin 16 May Edict No. 726 On Measures For Timely Funding Of State Organs And Forces Engaged In Ensuring Security (Headlined 'Central Bank Will Service Security Organs Without Intermediaries'). (Moscow ROSSIYSKAYA GAZETA in Russian 22 May 96 p 4) (900) (Text)

Yeltsin 16 May Edict No. 732 On Further Developing Railroad Transportation In Russian Federation. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 5) (250)

Yeltsin-Signed 22 May Federal Law No. 45 Amending RF Law On Value-Added Tax; Accompanied By Linkov Commentary. (Moscow ROSSIYSKAYA GAZETA in Russian 24 May 96 p 3) (150/200)

SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

Government 15 April Decree No. 437 On Agreement With China On Cooperation In Energy Sphere. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (200) (Text)

Chernomyrdin 15 April Directive No. 614 On Using DM64 Million Loan From FRG Banks To Provide Medical Establishments In Altay Kray For Victims Of Radiation Caused By Semipalatinsk Nuclear Tests. (Moscow ROSSIYSKAYA GAZETA in Russian 22 May 96 p 1) (300)

Yeltsin 21 April Directive No. 203 Adding Representative Of Presidential Human Rights Commission To Working Group For Holding Talks With Kazakhstan On Setting Up Bilateral Human Rights Commission. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 5) (100)

Yeltsin 21 April Edict No. 577 On Composition Of Interdepartmental Commission Of RF Security Council For Protection Of Health Of Population, Accompanied By List Of Commission Membership. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 6) (500)

Government 22 April Decree No. 487 On Trade Agreement With China. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (200) (Text)

Government 22 April Decree No. 490 On Nuclear Power Agreement With China. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (200) (Text)

Government 22 April Decree No. 491 On Currency Agreement With China. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (200) (Text)

Government 22 April Decree No. 492 On Economic Cooperation Agreement With China. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (200) (Text)

Yeltsin 22 April Edict No. 586 On Questions Of Russian Federation President's Security Service, Accompanied By Text Of Statute Thereon. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 6) (200/3900) (Text) Chernomyrdin 26 April Government Directive No. 688 On Payment Of TV And Radio Companies Debts To Communications Ministry Enterprises For Dissemination Of Programs. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 6) (100) (Text)

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Government 1 May Decree No. 545 Ratifying Terms Of Reference Of Ministry For Cooperation With CIS States (150) Plus Associated Statute. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (2600)

Yeltsin 6 May Edict No. 650 On Council On Questions Of State Service Under RF President, Accompanied By List Of Council Membership. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 6) (600)

Yeltsin 6 May Edict No. 654 On Instituting Standards (Banners) For Russian Federation MVD, MVD's And Internal Affairs Main Administrations And Administrations Of RF Components, Internal Affairs Administrations On Transport, Said Ministry's Vocational Training Establishments; Accompanied By Description Of And Statute On Said Standards. (Moscow ROSSIYSKAYA GAZETA in Russian 22 May 96 p 4) (250/1050)

Government 8 May Decree No. 564 On Protocol To Agreement With Armenia On Restarting Its Nuclear Power Station. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (200) (Text)

Government 8 May Decree No. 572 On Fishing Agreement With Iran. (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 p 7) (200) (Text)

Yeltsin 12 May Edict No. 691 On Russian Federation President's State Awards Administration (Forms Administration Under Presidential Staff, Appoints N.A. Sivova Its Head). (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 5) (450)

Yeltsin 14 May Edict No. 712 On Basic Guidelines For State Family Policy, Plus Guidelines In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 4) (300/1500)

Yeltsin 15 May Edict No. 716 On 'Youth Of Russia' Presidential Program (Gives Program Presidential Status), Plus Molodtsova Commentary (Program 'Is Not A Populist Documents, And Certainly Not an Election Maneuver Aimed At Winning Over Young People'). (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 4) (100/500)

Yeltsin 16 May Edict No. 727 On Measures Of State Support For Public Associations Working For Young People's Military Patriotic Education. (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 5) (600)

Central Electoral Commission 16 May Decree No. 95 Approving Format And Wording Of Ballot Paper For Presidential Election, Plus Sample Of Approved Format (Candidates Listed In Alphabetical Order; Date Of Birth, Brief Details Of Current Occupation, City Of Residence Given For Each Candidate; 'Any Mark' In Box To Right Of Candidate's Details Will Signify A Vote; Last Box On Ballot Paper Is For Vote 'Against All Candidates'). (Moscow ROSSIYSKAYA GAZETA in Russian 21 May 96 p 5) (150/400)

Yeltsin 20 May Edict No. 740 Approving And Listing New Composition Of Commission On Human Rights Under RF President. (Moscow ROSSIYSKAYA GAZETA in Russian 24 May 96 p 3) (150) (Plus Membership List)

Yeltsin-Signed 21 May Federal Laws Nos. 43 And 44 On Ratification Of Treaty On Formation Of Community Of Russia And Belarus And Treaty Among Russia, Belarus, Kazakhstan, And Kyrgyzstan On Deepening Integration In Economic, Humanitarian Fields. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 4) (50/50)

'Slightly Abbreviated' Version Of Russian-Georgian Treaty On Legal Aid And Legal Arrangements In Civil, Family, And Criminal Law Cases (Articles 19 Thru 80). (Moscow ROSSIYSKAYA GAZETA in Russian 25 May 96 pp 8-9) (7500)

SECTION III: SCIENCE AND TECHNOLOGY

Chernomyrdin-Signed 1 May Government Decree No. 540 On Federal Targeted Program To Prevent Spread In Russia Of Diseases Caused By HIV Virus (HIV- Infection) In 1996-1997 And Through 2000 — 'Anti-HIV/AIDS'; Accompanied By Abridged Account Of Program. (Moscow ROSSIYSKAYA GAZETA in Russian 23 May 96 p 5) (300/4300)

Russia: Duma Ratifies Convention on Interparliamentary Assembly

LD2405155396 Moscow ITAR-TASS World Service in Russian 1004 GMT 24 May 96

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Translated Text] Moscow, 24 May (ITAR-TASS) — The State Duma today ratified the Convention on the CIS states' InterParliamentary Assembly (IPA). The convention gives the IPA the proper legal status of a CIS interstate body and determines functions, rights, obligations, privileges, and immunity of the Assembly and its bodies.

The IPA has so far carried out its activities as a body of interparliamentary cooperation with no international legal status and has worked exclusively on the basis of internal documents.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The convention ratified today emphasizes the importance of transforming the CIS into a capable union of the states, the need to gradually form an efficient integration structure of the Commonwealth and the expediency of bringing national legislation of the CIS states closer together.

In accordance with the convention, the IPA personnel and representatives of parliaments of other countries are to enjoy certain immunities and privileges on Russia's territory. Financing the activities of the IPA will be carried out on the basis of individual contributions by the member states.

Regional Affairs

Russia: Yeltsin Comments on Meetings With Yandarbiyev

LD2905144196 Moscow Russian Television Network in Russian 1300 GMT 29 May 96

[Interview with Russian President Boris Yeltsin by unidentified correspondent on Chechen talks; from the "Vesti" newscast — recorded]

[FBIS Translated Text] [Correspondent] Boris Nikolayevich, life itself raises some questions. The day before yesterday Yandarbiyev's delegation arrived in Moscow. Yesterday you made a sudden visit to Chechnya. Were you relieved when you woke up today?

[Yeltsin] Well, of course, of course. An operation involving many moves was carried out here. First, Yandarbiyev agreed to come to Moscow, to sign the document on halting hostilities, disarming, and exchanging POWs. That was the main thing. The trip to Chechnya — meeting people, residents of a village, servicemen — I wanted to find out about their feelings, listen to them. Of course, the Chechen republic was neglected considerably under Dudayev's regime, and it needs serious assistance to be restored.

Russia: Yeltsin Praises Troops for Chechen Operation

LD2905153796 Moscow INTERFAX in English 1447 GMT 29 May 96

[FBIS Transcribed Text] MOSCOW, May 29 (Interfax) — Russian President Boris Yeltsin began his statement at the enlarged session of the Defense Ministry collegium in Moscow on Wednesday by praising federal troops for their mission in Chechnya.

"For 18 months Russian soldiers have protected Russia's national dignity in combat conditions. They are at the forefront of the struggle against Chechen militants and international terrorism, against those who bring death to civilians, those who take sick people, children and pregnant women hostage, those who are prepared to sacrifice the Chechen people to their selfish aims," Yeltsin said.

"Russia's brave boys have quashed the militants' resistance, bled them white and demoralized them. The Russian military protected the Stavropol and Krasnodar territories, the North Caucasus and the whole of Russia from a tide of terrorism,"

He said that in Chechnya the Russian soldiers displayed valor, staunchness, commitment to the oath and love for the Motherland. Their efforts, Yeltsin said, made it possible to begin peace talks and at his meeting with the separatist leader Zelimkhan Yandarbiyev on May 27 in the Kremlin it was agreed to end all hostilities as of midnight on May 31.

"I demand that a special order should be issued to that effect and complied with unconditionally," Yeltsin said.

"Each shot will be investigated," Yeltsin said.

"We agreed to release all persons held by force within two weeks. As a matter of fact a peace agreement was signed in Moscow. The federal army group has coped with its mission. The Russian army protected the territorial integrity of Russia and ensured the restoration of constitutional order to the Chechen republic," Yeltsin said.

"One has to confess that the authorities, politicians and military did make mistakes," Yeltsin said. "Poor coordination and a lack of professionalism in some cases resulted in heavy military and civilian casualties. Government policy mistakes in Chechnya, swinging from one extreme to another, sometimes put the army in an ambiguous position. The lack of experience in settling such internal conflicts largely made itself felt," Yeltsin said.

He pointed out that conditions must be set up for the full disarmament of illegal armed formations and the gradual withdrawal of troops from the Chechen republic.

"It is important to prevent last year's mistake and not let the militants recover from heavy defeats," Yeltsin said.

"Deplorably, far from all in Chechnya want peace. Scattered groups of the irreconcilable opposition will not lay down their arms. Any attempts to resume terrorist activities must be countered with a tough response," Yeltsin said.

He said that during his trip to Chechnya he was able to see for himself the hard conditions in which the military managed to achieve success. "There, in the trouble spot, one feels most sharply the weaknesses of our armed

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

forces and the need for a fundamental military reform," Yeltsin said.

Russia: Ingush President Reports Yandarbiyev 'Very Pleased'

MM2905172596 Moscow IZVESTIYA in Russian 30 May 96 p 2

[Report by Yuriy Snegirev: "Aushev's Nighttime Conversation With Yandarbiyev"]

[FBIS Translated Text] At 1000 hours on 29 May an armed opposition delegation headed by Zelimkhan Yandarbiyev set off from Sleptsovsk, where it had spent the night, for Chechnya. The 10-vehicle motorcade containing Yandarbiyev's armed bodyguard was accompanied to the Ingush-Chechen border by Russian and Ingush MVD [Ministry of Internal Affairs] personnel. There were no checks or delays at checkpoints.

The delegation had flown in late the previous evening. The Ingush authorities had prepared a guest house in Sleptsovsk. It was there that Ingush President Ruslan Aushev met with Yandarbiyev. In a telephone conversation with IZVESTIYA's correspondent Aushev gave an account of this nighttime conversation:

[Aushev] Yandarbiyev was very pleased with the talks. He showed me the document which they had signed in Moscow. He had a welter of impressions of the trip. He liked the Kremlin very much. They were staying in a dacha near the village of Uspenskoye. But despite the cordial welcome they felt isolated. All telephone calls were strictly controlled and essentially not a single delegation member was able to telephone his friends or journalists. And according to Yandarbiyev they were simply not allowed to hold a press conference in Moscow.

[IZVESTIYA] Did they feel like hostages in Moscow while Yeltsin was in Chechnya?

[Aushev] Not at all! There was never any question of this. Anyway, according to highland traditions (irrespective of where Yandarbiyev was) the president would in any case have carried out his mission in Chechnya without complications. Certain wise guys in Moscow thought up the "hostages" idea in order to spoil the talks. The Chechens left determined to implement all three points of the agreement.

Russia: Chechen Chief Basayev Criticizes Leader Over Moscow Talks

LD3005142096 Moscow INTERFAX in English 1407 GMT 30 May 96

[FBIS Transcribed Text] GROZNYY, May 30 (Interfax) — Chechen field commander Shamil Basayev has demanded that separatist leader Zelimkhan Yandarbiyev be held to account for the talks in Moscow, Basayev's associates have said.

According to the source, an angry Basayev said, "Nobody empowered Yandarbiyev to hold talks with Russia."

The source said that the field commanders made a mixed response to the talks with the Russian president in the Kremlin. Some experts believe that the Moscow talks worsened tensions between Yandarbiyev and separatist chief of staff Aslan Maskhadov.

"The head of the Chechen separatists' chief headquarters feels he was undeservedly ignored and is seeking to regain the status of Chechnya's political leader," the source said.

Russia: Intelligence Reports Say Chechen Rebel Basayev Moved Base

LD2905131096 Moscow INTERFAX in English 1136 GMT 29 May 96

[FBIS Transcribed Text] GROZNYY, May 29 (INTERFAX) — Russian army intelligence reports a Chechen unit headed by hardline separatist commander Shamil Basayev has left the town of Vedeno in southern Chechnya for bases in the forest near the Yelistanzhiy village on the way from Vedeno to Groznyy.

Up to 60 gunmen are still staying in Vedeno, a source in a security department told INTERFAX Wednesday. He said the cease fire agreement and the upcoming elections of the Russian president and the Chechen parliament on 16 June may have led the separatist leaders to change tactics in their fight against federal troops.

Separatist fighters are arriving in Groznyy. Up to 100 of them are present in the Zavodskiy borough of the Chechen capital, from where increasing violence against Russian families is reported.

Up to 60 local gunmen in Shali, 40 kilometers southeast of Groznyy, are holding a wait-and-see policy despite their former calls on residents to fight against the federal troops. The Shali regional and town administrations are ready to offer head of the Chechen rebel staff Aslan Maskhadov to run for Chechen parliament deputy in their district.

The separatist command is still focusing on the eastern front of the republic, said the source. This is caused by their loss of control over key settlements in the western zone, primarily Bamut. According to intelligence information, separatist units have grown active in the Nozhay Yurt region bordering Dagestan. The presence of small

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

groups of gunmen (three-four people) is reported from several villages of the neighboring Gudermes region.

Russia: Yeltsin 'Maneuvers' Could Aggravate Chechnya Situation

MM3005114396 Moscow PRAVDA in Russian 30 May 96 p 1

[Article by Nikolay Kozhanov: "Did Yeltsin's 'Dash to the South' Succeed?"]

[FBIS Translated Text] Talk about the Moscow meeting between Yeltsin and Yandarbiyev and the Russian Federation president's "victorious dash to the south" is dominating politicians' comment and press coverage today.

The interpretations are contradictory. Some claim that this was a "brilliant tactical move" by Boris Yeltsin, who managed in a single combined stroke to end the war and sharply improve his preelection rating as a politician capable of unorthodox and courageous decisions. Others admire the way the president cunningly "outplayed" his Chechen opponents by locking them up somewhere in a dacha near Moscow as hostages for the duration of his visit to Chechnya. Sober voices, by contrast, warn that a "quick fix" peace in pursuit of votes could lead to consequences at least as tragic as the events which followed last summer's peace agreements....

So just what did happen in Chechnya? During his five hours there Yeltsin attempted to suit everybody. He promised the inhabitants of a Chechen village that a factory would be built there and two "Don" combines would be donated. Russian soldiers were solemnly told that "the rebels have been routed and you have won." And he even deigned to make confessions to the Chechen public which smacked of repentance: I bear a share of the blame too, he said, I too made miscalculations.

Incidentally, these "miscalculations," which have cost this small republic up to 80,000 dead citizens and the Army many thousands of dead and mutilated soldiers and officers, are already well known the inhabitants of the ruins of Groznyy and Gudermes. The concerns are for the future: Just where these risky cat-and-mouse games around the "peace process" will lead.

And these concerns, let us be frank, are not unfounded. On his return from Moscow Zelimkhan Yandarbiyev unambiguously expressed outrage that his delegation had essentially been manipulated. Furthermore, whereas the picture presented while they were in Moscow was of a "negotiating process" with them, on Chechen soil the Russian Federation president, accompanied by the Dudayev forces' bitterest enemy, Chechen Republic head Doku Zavgayev, talked about "victory over the rebels and about Chechnya as an integral part of Russia."

It cannot be ruled out that maneuvers of this kind could again sharply aggravate the situation in the republic. People are even talking about separating upland "Yandarbiyev" Ichkeria from lowland "Zavgayev" Chechnya. Such a turn of events would hardly be painless might threaten a new war and much blood.

In any event, despite the "three-day moratorium," the shooting in Chechnya is not dying down. Twelve shooting attacks on Russian Ministry of Internal affairs troops and "sporadic shooting" in Groznyy were registered in a 24-hour period. Guerrillas have been observed infiltrating the areas of the villages of Ishkerskaya and Argun. And a powerful demolition charge with electrical detonators was detected on the railroad line between Gudermes and Groznyy.

Is something going to happen on 1 June?...

Russia: Politicians View Prospects of Peace Settlement in Chechnya

MK3005054196 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 29 May 96 p 1

[Unattributed, untitled interviews "especially for MOSKOVSKIY KOMSOMOLETS" with Tatarstan President Mintimer Shaymiyev, State Duma deputy Vladimir Lysenko, and PRES Chairman Sergey Shakhray — place and date not given]

[FBIS Translated Text] **Mintimer Shaymiyev,** president of Tatarstan:

[MOSKOVSKIY KOMSOMOLETS] It is known that you proposed a "one on one" negotiating formula: Dudayev-Yeltsin. Did you have reason to believe that such a form would be effective?

[Shaymiyev] I thought that a direct meeting between Dudayev and Yeltsin was possible and necessary. There are problems that should be addressed by the top leaders of the sides involved. The Chechen crisis is not a commonplace situation that can be placed in the charge of anybody else. Even now I consider it critical to organize direct meetings between Yeltsin and the current leaders of the "Dudayevite opposition."

[MOSKOVSKIY KOMSOMOLETS] Boris Nikolayevich Yeltsin said that Chechnya would be granted a "special status." What do you believe are the permissible limits of "sovereignty" within a federative state? Do you think that Chechnya will be able to get more "sovereignty" than Tatarstan?

[Shaymiyev] The time when relations with Chechnya could be patterned on the "Tatarstan model" is past. In

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

relations with Chechnya, new approaches are called for. The main difference from the situation of Tatarstan is that Chechnya, which has gone through a war and also the deportation in 1944, needs guarantees of its security. Therefore Chechnya should have more powers than Tatarstan, in particular insofar as concerns military force development and international relations. Economically, Chechnya is interested in the Russian market and needs Russia's assistance.

The federative state should concentrate a number of key functions in central agencies, such as defense, foreign policy, finances, customs, and the protection of borders. The other functions can be ceded to the components, painlessly for the integrity of the state. Russia's integrity is threatened not by a treaty with Chechnya, but by a seat of military tension, threatening to grow into a civil war. There are very many models of flexible federative and associated relations in the world that could be used in the case of Chechnya. [Shaymiyev interview ends]

The interview with M. Shaymiyev took place several days before the negotiations started, and is published in abridged form.

Vladimir Lysenko, deputy of the State Duma, expert on interethnic relations:

"Generally speaking, I consider the agreement with Yandarbiyev as Yeltsin's major success in the run-up to the presidential elections. Boris Nikolayevich managed to remove the tension of the Chechen war.

"From the military point of view, however, the signed document is in favor of Chechnya. I know Yandarbiyev personally and I am sure that he will never agree to the abolition of Ichkeria's independence. The separatists are bound to use the three weeks of the cease-fire to reconstitute their forces.

"I see the further course of events developing according to the following scenario: In the time remaining before the elections Yeltsin will order the federal troops not to conduct combat operations and to take care of the soldiers. During this time the Chechens will try to regain their force. After the elections, if Yeltsin stays on as president, he will say that the Chechens cheated and everything will begin anew.

"In any event peace is unattainable in the foreseeable future. The treaty that has been signed is not a peace settlement, but only pacification."

Sergey Shakhray, chairman of the PRES [Party of Russian Unity and Accord] (rumor has it that he was in charge of preparing the negotiations, which was confirmed by his presence in Groznyy together with Yeltsin): "These negotiations give a real chance for signing a military package and for stopping hostilities in Chechnya. Earlier, such negotiations were impossible because the day of Yeltsin's meeting with Dudayev would have been a day of national humiliation. Negotiations with Dudayev and with Yandarbiyev are two different things."

Russia: Prominent Russians Comment on Chechnya Accords

MM2905123896 Moscow TRUD in Russian 29 May 96 p 1

[Unattributed report: "Peace Has Come. Is That the End of War? Representatives of Russian Public Assess Accords Reached in Moscow"]

[FBIS Translated Text] North Ossetian President Akhsarbek Galazov:

"I welcome all the political moves made by Russian President Boris Yeltsin and I see no other political leader, who could take charge of the crucial mission of peace and accord in the Caucasus, in Russia, throughout the former Soviet Union."

Lieutenant General Lev Rokhlin, chairman of the State Duma Committee for Defense:

"A real cease-fire in Chechnya will primarily depend on the Dudayevites' position since the federal forces will implement all items of the accord signed Monday [27 May] on the cessation of combat operations in Chechnya."

Aleksandr Shokhin, first deputy chairman of the Russian Federation State Duma:

"The agreement on a cease-fire in Chechnya 1 June is a good basis for future accords, including on the status of Chechnya, and Zelimkhan Yandarbiyev's participation as a signatory to the agreement means that the separatists have provided certain guarantees."

Rights campaigner Sergey Kovalev:

"I am prepared to back any decisions by the supreme Russian leadership but persons held by force must be exchanged within as short a time as possible on the principle of 'all of theirs for all of ours.'"

Vasiliy Likhachev, Federation Council deputy chairman and chairman of the Republic of Tatarstan State Council:

"In resolving conflicts like that in Chechnya the creation of an atmosphere of trust and tolerance is the first essential step toward the examination of complex political-military and socioeconomic issues. And from

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

that viewpoint one can only welcome Russian Federation President Boris Yeltsin's initiative to begin direct dialogue between all the interested parties.

"The proposed approach is promising and constructive. The latter can be seen from the Russian side's desire to utilize its treaty experience of resolving the recent acute problems in relations between the federal center and Tatarstan."

General Aleksandr Lebed:

"We have won a military victory with great difficulty. But if it is not backed up by a political and moral victory, everything may once again start afresh. It is not enough to chase the gunmen into the mountains and disarm them. Their morale needs to be smashed. There is only one way to do this, by telling the truth, the whole truth. There is no need for Russia to fear this truth.

"The gunmen are capitalizing on the idea of 'independence.' That is lunacy. Not only has Chechnya not been oppressed in any way, on the contrary, it has a host of concessions and advantages compared with Russian oblasts. Do not compare the Chechens with the Irish, the Palestinians, the Kurds, or the Basques. The Chechens have their own state, their own republic. Right now this republic of theirs is sponging off Russia, off our budget. Therefore their independence should primarily be independence from the Russian budget...."

Sergey Yesin, vice chancellor of the Literary Institute:

"I would like everything our president says and believes to happen. Negotiations have been held, an agreement signed, and the war is over. But have the reasons for it been eliminated? Have big bucks stopped floating around Chechnya? Have the clashes between the ethnic elite and the Moscow economy been removed? Russian troops had already given the 'bandit formations' time-out on many occasions on orders from above and then everything began from scratch. What is radical about the new accord? Why could this bloodbath not have been stopped before? However, in this noble peacemaking process I do nonetheless very much put my hopes on Zelimkhan Yandarbiyev, a graduate in Higher Literature from the Literary Institute. He graduated in Higher Literature in 1989. At our institute Zelimkhan Yandarbiyev became well acquainted with Russian literature, which reflects the Russian national character — power, magnanimity, and tolerance. But tolerance and patience [terpimost and terpeniye in Russian] are different words derived from the same root.

The war is over. But is this an end to war?"

Vladimir Anisimov, deputy head of Smolensk Oblast Administration:

"Today both the president's supporters and enemies sincerely wish him success in the talks. This war is our common pain and grief. Boris Nikolayevich as a presidential contender will undoubtedly win the affection of many people if he is able to put an end to it. But, needless to say, we are bound to be concerned about the concrete results of the meeting and the irreversibility of the peace process. Direct contacts with opposition leaders are useful and essential, but the pinnacle of achievement is nonetheless a concrete document and a real mechanism for a cease-fire."

Russia: Chernomyrdin Creates Commission on Chechen Settlement Talks

LD2905191996 Moscow INTERFAX in English 1900 GMT 29 May 96

[FBIS Transcribed Text] MOSCOW, May 29 (Interfax) — Russian Prime Minister Viktor Chernomyrdin has ordered the creation of a commission for talks on the peaceful settlement of the Chechen crisis, in accordance with the May 27 agreement on a cease-fire, an end to combat activities and measures to settle the conflict on Chechen territory.

The commission, headed by Nationalities Minister Vyacheslav Mikhaylov, includes State Duma Nationalities Committee Chairman Vladimir Zorin; Sergey Stepashin, the head of the Russian governmental administrative department; Duma deputy Nikolay Bezborodov; Deputy Chechen Prime Minister Musalatov; Aleksandr Piskunov, the deputy head of the governmental administrative department; Nikolay Semenov, an adviser to the Russian prime minister; Deputy Presidential Envoy to Chechnya Strashko; Federal Troops Commander in Chechnya Vyacheslav Tikhomirov; and Russian Governmental Envoy to Chechnya Nikolay Fedosov.

A report sent to Interfax Wednesday says the following working groups will be created within the commission:

— on military aspects of the Chechen settlement, headed by Tikhomirov,

— on exchange of prisoners, headed by Bezborodov.

The groups' heads must form the groups within two days and establish working contacts with corresponding representatives of the Chechen opposition by May 31.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: Tikhomirov To Head Federal Panel on Chechen Military Issues

LD3005100696 Moscow ITAR-TASS in English 0957 GMT 30 May 96

[By Boris Kipkeyev]

[FBIS Transcribed Text] MOSCOW, May 30 (Itar-Tass) — A Federal Government Commission to tackle the package of military issues concerning a settlement of the Chechnya crisis will be headed by Vyacheslav Tikhomirov, Commander of Federal forces in Chechnya.

The military, jointly with representatives of the leadership of separatist forces, intend to set up a bilateral body soon to monitore compliance with the ceasefire accords, a high-ranking representative of the General Staff of the Armed Forces of the Russian Federation told ITAR-TASS on Thursday.

An exact data for the establishment of this body has not yet been decided upon. Organisational work is in progress and "lively contacts are under way", the source said.

Russia: Chechen Official Says Power-Sharing Treaty Subject to Talks

LD3005121496 Moscow INTERFAX in English 1201 GMT 30 May 96

[FBIS Transcribed Text] MOSCOW, May 30 (Interfax) — The draft power-sharing treaty between Russia and Chechnya should be subject to talks, a co-chairman of the Coordinating Council of Chechnya, Ruslan Kutayev, told Interfax Thursday.

The council includes all political parties and movements of Chechnya, except for supporters of the pro-Moscow head of Chechnya, Doku Zavgayev. Former Russian Parliamentary Chairman Ruslan Khasbulatov is the other co-chairman of the council.

"There are no such legitimate and constitutional authorities in Chechnya, which would be entitled to sign such a treaty with Russia," said Kutayev.

At the same time, he was optimistic about the ongoing peace talks. "Common points can always be found at the negotiation table without emotions," he said. He said his confidence was based on his recent meetings with Russian Nationalities Minister Vyacheslav Mikhaylov, chairman of the Duma nationalities committee Vladimir Zorin, and deputy chief Russian negotiator Arkadiy Volskiy, who took part in last year's talks.

Kutayev said he contacted the Chechen separatist leaders virtually every day. He was convinced that "(separatist leader) Zelimkhan Yandarbiyev, (chief of staff) Aslan Maskhadov and most field commanders as well as the above Russian figures, sincerely want peace."

Speaking on the future status of Chechnya, Kutayev said, "this issue should be postponed for three to five years and submitted to a nationwide referendum upon the ultimate establishment of peace."

"Let the residents of the republic then say under international guarantees what Chechnya should be like, in or out of Russia," he said.

Russia: Chechen Rebel Chief of Staff Orders Cease-Fire

LD2905164996 Moscow ITAR-TASS World Service in Russian 1536 GMT 29 May 96

[By ITAR-TASS correspondent Sergey Ostanin]

[FBIS Translated Text] Moscow, 29 May (ITAR-TASS) — Aslan Maskhadov, chief of staff of the Chechen armed formations, today broadcast an order via the militants' radio networks, demanding they refrain from waging active combat operations in the immediate future. Journalists were told this by Lieutenant General Andrey Ivanov, a spokesman of the General Staff of the Russian Armed forces. The briefing took place at the Russian President's operational center.

The general said that at the same time the militants have not stopped planning and making practical preparations for operations against federal troops. "Information exists that Aslan Maskhadov has held meetings with field commanders for this purpose," Andrey Ivanov said.

He said the results of the trip to Moscow by the delegation led by Zelimkhan Yandarbiyev have received a mixed reception among the militants. Some of them are set on continuing combat operations, despite the accord reached during the talks on halting military operations in Chechnya from 1 June.

Russia: Federal Troops To Extend Moratorium on Fighting Until 1 Jun

LD3005105896 Moscow ITAR-TASS in English 1036 GMT 30 May 96

[By Boris Kipkeyev]

[FBIS Transcribed Text] MOSCOW, May 30 (Itar-Tass) — Federal forces will extend the unilateral moratorium on combat operations in Chechnya till June 1; that is, when the understandings on a ceasefire comes into force, Lieutenant-General Vyacheslav Tikhomirov, commander of federal forces in Chechnya, told Itar-Tass on Thursday [30 May] by telephone from Khankala, the southern suburb of Chechen capital Groznyy.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The commander stressed that federal troops will remain at base areas and places of deployment and will open return fire only in case of possible provocations. At the same time, Tikhomirov did not preclude a chance of conducting military reconnaissance "to monitor and analyse the current situation in the republic".

Russia: Downing of Russian Helicopter in Chechnya Reported

LD2905171696

[FBIS Report] Moscow Russian Television Network in Russian at 1600 GMT on 29 May, in its regular "Vesti" newscast, broadcasts a one-minute report on the situation in Chechnya after Yeltsin's visit in a video link-up with Groznyy correspondent Aleksandr Sladkov. Sladkov says that the situation could not possibly change overnight and said that "today federal troops have not been engaged in combat operations, especially as General Vyacheslav Tikhomirov, commander of the joint forces in Chechnya, without waiting for the 1 June deadline, issued a ceasefire order to the commanders of the units stationed in the republic."

Sladkov goes on to say that a Russian armored personnel carrier was blown up in central Groznyy today. "In the mountains, near the village of Tsentoroy, an Mi-8 helicopter of the group of internal troops was downed. One person died and seven people received burns and injuries. So the situation in Chechnya remains tense," Sladkov concludes.

Russia: Chechen Premier Says No Vacancies in Chechen Government

LD3005085796 Moscow INTERFAX in English 0831 GMT 30 May 96

[FBIS Transcribed Text] GROZNYY, May 30 (Interfax) — Chechen Prime Minister Nikolay Koshman has spoken out against the idea of creating a coalition government involving representatives of the Chechen separatists.

"There are no vacancies in the Chechen government now," he told Interfax on Thursday.

"The government is working normally and those who do not cope with the job for which they are responsible are replaced," the prime minister said.

Koshman believes that Chechen separatists' membership in the government "may break the fragile stabilization in the republic."

He said that he agrees in principle with the draft agreement between Russia and Chechnya based on the experience of relations between Tatarstan and Russia and Bashkortostan and Russia.

"Chechnya is responsible for the local budget and taxes, natural resources and property, excluding federal, and will ensure its own security and law and order," said the prime minister.

"As experience shows, the federal authorities are to be responsible for foreign policy, problems of war and peace, security and defense, the principles of price policies, the single market and so on," said Koshman.

According to him, after the signing of the agreement with leaders of the Chechen opposition in Moscow, the federal troops "strictly observe the cease-fire, which cannot be said about the separatists, who organize provocations against Russian servicemen."

Russia: Chechnya To Receive R960 Billion in Reconstruction Aid

LD2905172396 Moscow INTERFAX in English 1422 GMT 29 May 96

[FBIS Transcribed Text] MOSCOW, May 29 (Interfax) — Russian Prime Minister Viktor Chernomyrdin on Wednesday signed a Cabinet resolution on allocating 960 billion rubles [R] as part of the postwar reconstruction of Chechnya this year, Sergey Stepashin, executive secretary of the State Commission for Chechen settlement, told a news conference in Moscow on Wednesday.

He said the money would be channelled for the payment of wages, pensions and other benefits to the population of the republic and to cover the cost of rebuilding local schools, hospitals and other key facilities there.

Russia: Chernomyrdin Arrives in Chelyabinsk for Economic Forum

LD2905205696 Moscow ITAR-TASS in English 2051 GMT 29 May 96

[By Gennadiy Yezhov and Yevgeniy Tkachenko]

[FBIS Transcribed Text] CHELYABINSK, May 30 (Itar-Tass) — Russian Prime Minister Viktor Chernomyrdin arrived in Chelyabinsk on Wednesday to attend a session of a local economic union leadership, the Association for Economic Interaction of Regions and Republics of the Greater Urals.

The session will focus on regional economic development, including building its energy supply network and consolidating local stock exchange.

Also, the premier is supposed to visit several businesses in the Chelyabinsk region, meet local business community and municipal and district authorities.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: Chernomyrdin Views Linking Working Capital to Inflation

LD3005115896 Moscow INTERFAX in English 1002 GMT 30 May 96

[FBIS Transcribed Text] CHELYABINSK, May 30 (Interfax) — The government will be ready to tie the working capital of plants to inflation by the end of the second quarter of this year, Russian Prime Minister Viktor Chernomyrdin said on Thursday.

In a speech to a meeting of the Association of Regional Economic Cooperation in the Urals, he stressed the need for resolving the problem of payment defaults in the industrial sphere.

Chernomyrdin said the government had managed to curb inflation by sticking to the planned parameters of monetary policy. "We are now close to a point beyond which the investment process starts to rally," he said.

But he also admitted to the inadequate handling of the money supply ahead of the presidential election, pointing to the conversion of rubles into foreign exchange followed by the flight of capital abroad.

"It would have been much simpler but for the election," the prime minister said, adding Russia should march on the road of democracy and not veer off it.

"History has given us a chance by removing polarization around the world," Chernomyrdin said. This in itself, he said, gives one the possibility to carry out economic restructuring and avoid huge defense spending. "But political stability is needed for this to happen. Yeltsin is needed," he said.

Russia: Chernomyrdin Not Pleased With Regional Power Producers

LD3005122196 Moscow ITAR-TASS in English 1211 GMT 30 May 96

[By Yevgeniy Tkachenko, Gennadiy Yezhov]

[FBIS Transcribed Text] CHELYABINSK, May 30 (Itar-Tass) — Russian Prime Minister Viktor Chernomyrdin objected on Thursday [30 May] to a request by Ural region power producers for a soft credit to purchase fuel.

"Russia has no problems with fuel supplies, they (problems) can only be created through mismanagement," Chernomyrdin told the Council of the Economic Associatoin of Ural regions and republics in Chelyabinsk.

"Forget about easy-term credits. They no longer exist, they are incompatible with a market economy," he added.

The Prime Minister was clearly dissatisfied with the way Russia's policy of power-generation was being implemented in the important industrialized Ural region.

"Power-generation remains the core of the national economy and main attention should be given to its development," he told the Council which had cited various blunders in the work of the regional energy sector that led to energy shortages and higher prices of electricity.

Economic Issues

Russia: Proposed Excess Profit Tax Viewed

964E1374A Moscow SEGODNYA in Russian 17 May 96 p 4

[Article by Igor Volobuyev: "Oil Companies Will Pay Tax on Excess Profits: Criteria of 'Excess Profitability' Will be Individual"]

[FBIS Translated Text] It has not even been a month since the government of Russia announced the retroactive reduction, as of 1 April, of the export duty on oil, followed by its further repeal as of 1 July of the current year, while at the same time increasing the base rate of excise tax on oil, first from 39,400 to 55,000 rubles (R)/tonne, and then as of 1 July—up to R70,000 per tonne (BIZNES-SEGODNYA for 24 April). And now the Ministry of Finance has spoken out with a proposal to replace the excise tax on oil with a single tax on excess profits (NSP). The essence of the proposal is reflected in the draft Tax Code, presented for review of the RF [Russian Federation] Government. This tax, unlike the excise tax, will be paid on the profits, and not on the income of enterprises, as is performed under the existing legislation.

Deputy Minister of Finance Sergey Shatalov, in a telephone conversation with SEGODNYA, commented on this as follows: "The tax on excess profits provides for a differentiated approach to producers and exporters of oil. We are not speaking about some fixed level of profit for all enterprises which, if the oil producers surpass it, they will fall under the sphere of activity of the new law. In each specific case, it will be determined by means of computation." The tax on excess profits is applied depending on the effectiveness of oil drilling at the deposit and the rates of increase in volumes of production. At the initial stages of development of the deposit, the enterprise will not pay it. The rate of the tax is a function of the profits, and depends, in turn, on the performed capital investments and their return. The amount of the tax may also decline, for example, in case of a decline in the volume of oil drilling.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

As Mr. Shatalov believes, the problems of undercollection of funds to the budget in connection with the repeal of the export duty cannot be resolved by increasing the rate of excise taxes, since their collection rate is too low—from 40 to 60 percent. However, the tax on excess profits would allow the government to maximally replenish this article of the budget. At the same time, the group of Minfin [Ministry of Finance] experts, in developing the new tax statute, believes that correction of the tax system will make it possible to significantly reduce the fiscal pressure on the oil and gas complex. The transition to a system of NSP will take place gradually, since the Russian government intends to retain the system of excise taxes on oil in the current months.

Aside from this, the developers of the Tax Code have also proposed, instead of the two rent payments existing at the present time—royalties (tax on use of mineral resources) and tax on reproduction of the mineral-raw material base (VMSB)—a single rent payment—a royalty which includes the VMSB. Today the royalty rate fluctuates from 6 to 16 percent, and the tax on VMSB comprises 10 percent. In case of repeal of the tax on VMSB, the amount of the royalty, naturally, would be increased. The deputy minister believes that, in this case, there is no principle difference for the taxpayer between the existing and proposed forms of rent.

The structure of payment of the tax on profits (NP), associated with determination of the production cost, will also undergo some changes. This is of particular importance for oil producers, since it today comprises 35 percent. The authors of the Tax Code generally propose eliminating the concept of production cost. The reappraisal of fixed capital which is currently being performed leads to an increase in amortization deductions, and consequently— to an increase in the production cost. According to the legislation, enterprises cannot sell oil below the production cost. Minfin [Ministry of Finance] specialists, in computing the losses and revenues to the budget with the change in the mechanism of taxation, have come to the conclusion that, if it adopts all the amendments in the Tax Code, the government will even be able to opt for reducing the NP to 33 percent. In any case, none of these proposals will go into effect until the Tax Code is introduced.

Russia: Good Weather Speeds Spring Sowing Campaign

LD3005093796 Moscow Interfax in English 0913 GMT 30 May 96

[FBIS Transcribed Text] MOSCOW, May 30 (Interfax) — Favorable weather conditions have sped up the pace of the spring sowing campaign in Russia, head of the Main Plant Growing Department of Russia's Agriculture and Food Products Ministry Ivan Gridasov told Interfax.

The shortfall in sowing of spring crops was reduced over the last three weeks from 19.7 to 9.5 million hectares compared with last year. Spring crops had been sown on an area of 43.1 million out of a planned 69.3 million hectares (62 percent) as of May 28. Agricultural farms are finishing sowing sugar beet (1,031,000 out of 1,113,000 hectares), sunflowers (3,035,000 out of 3,925,000 hectares) and long-fibred flax (139,000 out of 190,000 hectares).

The farms of the Krasnodar territory and several regions of the Stavropol territory and Rostov region have started stockpiling fodder, Gridasov said. According to the Agriculture and Food Products Ministry, lucerne has been harvested on almost 50,000 hectares. Farms have stockpiled 40,000 tonnes of grass and 5,000 tonnes of hay.

The situation with the supply of agricultural producers with lubricants and fuel improved slightly in May, Gridasov said. The farms have received 196,000 tonnes of gasoline (86 percent of the planned level), 467,000 tonnes of diesel fuel (96 percent).

At the same time the Rosneft, Sidanko, Norsi, and Surgutneftegaz fuel companies are supplying the agrarian sector with fuel irregularly, Gridasov said. "The Fuel and Energy Ministry has addressed these companies with a request to attract all oil resources in order to ensure oil products supplies on goods credits in line with the schedule," he said.

In order to stockpile fodder in time and to prepare for the harvest campaign it is necessary to allocate 1 trillion rubles planned for harvest equipment leasing to the Rosagrosnab company in charge of agricultural supplies , Gridasov said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

International Affairs

Ukraine: Yeltsin Visit to Kiev Not Expected Before Elections

AU2905130296 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 25 May 96 p 1

[DEMOKRATYCHNA UKRAYINA report: "Boris Yeltsin Will Not Come to Kiev Before the Elections in the Russian Federation"]

[FBIS Translated Text] In all likelihood, Russian Federation Prime Minister Viktor Chernomyrdin's one-day official visit was unexpected for Kiev. The Ukrainian president had to cut short his trip to oblasts and return urgently to the capital.

According to some accounts, Leonid Kuchma's meeting with Viktor Chernomyrdin lasted more than three hours. Volodymyr Horbulin, secretary of the Presidential National Security Council, and Dmitriy Ryurikov, Russian presidential aide for external policy issues, took part in this meeting. The talks between the two states' prime ministers behind closed doors lasted for a further two hours. However, details of these meetings were released in strictly measured portions. The promised news conference on the results of the talks was never held. Nor did the Russian guest agree to speak with journalists at Boryspil Airport, which makes one suspect that he was not in the best of moods when he returned to Moscow.

The goal of the visit, described as the need "to discuss a couple of things, mainly regarding the overall general political treaty and the trade and economic agreement," remained unachieved. Despite this, at the official reception in Mariyinskyy Palace the head of the Russian Government said that he was "very pleased with the talks." The Ukrainian president called the meeting "extremely necessary."

That it was very necessary for the Russian side is beyond doubt. Because success would certainly have ensured one of Boris Yeltsin's most important election trump cards — the long-promised visit to Kiev. Not just the visit in its own right. Yeltsin would have liked to "bring back" from the Ukrainian capital Sevastopol as the Black Sea Fleet's Russian base. As is known, Russia does not agree to two bays out of four, and Ukraine, being a sovereign state, reserves the right to decide for itself where to base its own fleet. Moreover, it is not going to give up this position in order to enhance Yeltsin's chances of election victory.

The sides seem to have maintained their previous positions. Moreover, the meeting between the Ukrainian and Russian groups of experts on problems of the Black Sea Fleet that was on the program of the visit did not take place. Feliks Gromov, commander of the Russian Navy, did not want to participate, on the pretext that he had no instructions from Chernomyrdin. Therefore, it remains to be seen what the Russian prime minister meant when he said that in the course of the 23 May talks progress had been achieved on the issue of the Black Sea Fleet.

He also spoke about his readiness to sign the agreement on compensating Ukraine for the tactical nuclear weapons transferred [to Russia] in 1992. According to him, this sum will amount to $450 million.

Yesterday [24 May], UKRINFORM reported that Boris Yeltsin will not pay an official visit to Kiev prior to the elections.

Ukraine: Official Says Moscow-Kiev Still 'Far Apart' on BSF

LD2905165996 Kiev UNIAN in Ukrainian 1245 GMT 29 May 96

[FBIS Translated Text] Kiev — A visit to Ukraine to sign a broad political treaty and solve the Black Sea Fleet [BSF] problem would be "Boris Yeltsin's trump card in the Russian presidential election campaign," Volodymyr Horbulin, secretary of the Ukrainian National Security Council told a news conference on 29 May. He said, however, that during Russian Prime Minister Viktor Chernomyrdin's recent trip to Kiev the sides "failed to reach agreement on any of the proposed three documents on the Black Sea Fleet, and, most importantly, on Sevastopol."

According to Horbulin, the two sides agreed to resume BSF negotiations after talks between Ukrainian and Russian expert groups in Sevastopol, which were to report their conclusions to the presidents by 28 May. "But recent media statements by Igor Kasatonov, deputy commander in chief of the Russian Navy, who headed the Russian group, called into question the possibility of a settlement on the Black Sea Fleet," Horbulin said. The sides position on the issue remain far apart, he added.

The secretary of the National Security Council confirmed that the Russian president's visit to Kiev "could take place on 1-2 June if Kiev and Moscow found a solution to the fleet problem."

Ukraine: Ukraine Assents to Celebration in Sevastopol

MM2905120496 Moscow KRASNAYA ZVEZDA in Russian 29 May 96 p 2

[Report by Vladimir Pasyakin: "Russian Navy's 300th Anniversary To Be Celebrated in Sevastopol"]

[FBIS Translated Text] In connection with the Russian Navy's impending anniversary the Ukrainian

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

prime minister was sent a letter by Admiral Viktor Kravchenko, commander of the Black Sea Fleet, which was also signed by Viktor Semenov, head of the Sevastopol state administration, and Vice Admiral Vladimir Bezkorovaynyy, commander of the Ukrainian Navy, regarding the events planned in Sevastopol.

The prime minister's response said in particular that "Ukraine still favors the establishment of normal relations between the friendly countries of Russia and Ukraine and the civilized resolution of the Black Sea Fleet problem." On this premise the Ukrainian Government deems it possible to agree to the planned measures to celebrate the Russian Navy's 300th anniversary in Sevastopol, voicing the hope that the celebrations will take place in a spirit of mutual respect.

Ukraine: Top Security Official Views BSF Negotiations

WS3005074196 Kiev INTELNEWS in English 0349 GMT 30 May 96

[FBIS Transcribed Text] Kiev, May 29 — Presidential National Security Chairman Volodymyr Horbulin said Wednesday that "the position of either the Unites States or the NATO regarding the resolution of the Black Sea Fleet problems is too neutral," adding that "we (Ukraine and Russia) should resolve this problem ourselves."

"This isn't just the demand of the times, this is our debt either to Russian or Ukrainian peoples," Horbulin said.

Horbulin also said that the visit of Russian President Boris Yeltsin to Ukraine won't take place prior to presidential elections in Russia. "I can affirm that with certainty upon the recent visit of Russian Prime Minister Viktor Chernomyrdin, as well as upon statements made by Russian officials," Horbulin said.

Horbulin also disputed the assertion of Russian Admiral Igor Kasatonov, who headed a delegation of Russian experts to Sevastopol earlier this month, that Ukraine sidestepped Sochi agreements providing for division of the Black Sea Fleet.

"Kasatonov hasn't been in Sochi but I've been. That's why I know what I'm talking about: Ukraine hasn't sidestepped any item of the Sochi agreements," Horbulin said.

He said the resolution of the BSF problem consists of the signing of three documents: an agreement on the status of Russian fleet in the territory of Ukraine, an agreement on the principles of mutual payments, and an agreement on the division of bases and fleet infrastructure.

The agreements have been in the works for three years, but, according to Horbulin, "for the past two and a half year, we haven't even approached understanding of each other."

Ukraine: Pact Signed With Russia on Foreign Economic Cooperation

WS3005084896 Lvov INFOBANK in English 0637 GMT 30 May 96

[From the "News Service" feature]

[FBIS Transcribed Text] Kiev — According to information provided to an INFOBANK correspondent by the Head of the Department for Contacts with Russia in the Ukrainian Ministry of Foreign Economic Relations and Commerce, Oleksandr Samodurov, Ukraine and Russia signed an agreement on cooperation between foreign economic offices of both countries. The agreement provides for the development of a coordinated policy of the two countries aimed to prevent antidumping processes against Ukraine in the European and American markets, and to promote cooperation with the European Union economic structures and other international organizations during the joining of the International Trade Organization.

The agreement was signed in Moscow on May 27, by the Russian Minister of Foreign Economic Relations, Georgiy Gabunia [as received] and the Ukrainian Deputy Minister of Foreign Economic Relations and Commerce, Viktor Hladush. According to the agreement, the Ministries will exchange information regarding national foreign economic legislation, as well as statistic data. In addition, the agreement provides for meetings of heads of Ukrainian and Russian Foreign Economic Ministries to be conducted an a regular basis (at least twice a year).

National Affairs

Ukraine: Kuchma Authorizes Probe Into Legislators' Deaths

AU2905132596 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 25 May 96 p 1

[Unattributed report: "Leonid Kuchma Has Voiced Concern About Cases of Death of Ukraine's People's Deputies"]

[FBIS Translated Text] **As UKRINFORM has learned from the Ukrainian Presidential Press Service, Leonid Kuchma has expressed concern over the recent deaths of Ukrainian people's deputies.** The head of state issued relevant instructions to the Ministry of Internal Affairs to carry out additional investigation of all the circumstances associated with the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

deaths or beating up of a number of parliamentarians. The Prosecutor General's Office has been authorized to supervise the course of the investigations. The Ukrainian president also authorized the relevant offices to inform the broad public about the results of the investigation of those cases involving the death of or attacks against people's deputies.

Ukraine: Kuchma Confirms Cabinet Reshuffle, Notes Design Intentions

LD2905173496 Moscow INTERFAX in English 1554 GMT 29 May 96

[FBIS Transcribed Text] KIEV, May 29 (Interfax-Ukraine) — "The reshuffle among the Government leadership is not designed to change economic strategy. We shall proceed with reforms, since this is the only road for us," Ukrainian President Leonid Kuchma told Interfax-Ukraine on Wednesday.

At the same time, the President observed, this is designed "to change the tactics — in terms of the pace of reforms and toughening of the finance and budgetary policy".

There is "sure" to be a Cabinet reshuffle in the future, the President said. "This problem has long been brewing, which I repeatedly said," President Kuchma concluded.

Ukraine: Prime Minister Firmly Supports Kuchma's Economic Policy

LD2905193896 Moscow INTERFAX in English 1705 GMT 29 May 96

[FBIS Transcribed Text] Kiev. May 29. (Interfax - Ukraine) — At 14:00 the press service of the Cabinet of Ministers officially circulated the text of Ukrainian Prime Minister Pavlo Lazarenko's statement.

The statement says, in particular: "My fundamental stand consists in firm support for the policy of social and economic reforms and structural change in the economy, pursued by Ukrainian President Leonid Kuchma. This is the only justified way to overcome crisis in Ukraine and turn her into a modern, civilized nation. For this reason I deem it a matter of honor to implement the presidential economic policy.

"The priorities of today are: to speed up structural transformations, especially in the basic industries, to invigorate privatization processes, to attract foreign investments, to overcome the payment crisis, to insure regularity in the payment of wages and pensions.

"The launched social and economic reforms must be carried to their logical conclusion. In order to speed up the settlement of accumulated problems, the functioning of the Cabinet of Ministers should be rearranged as well.

"The implementation of reforms calls for strengthening their legislative basis. Therefore it is of paramount importance that Verkhovna Rada of Ukraine pass, as soon as possible, the package of economic bills submitted by the government.

"It is my conviction that, in view of the economic situtation in the country, the constitutional process must be crowned with the adoption of the Fundamental Law. That would encourage a consolidation of political forces and the entire society, that would enhance constructive cooperation among the branches of power towards the principal goal — a palpable improvement in the life of people."

Ukraine: NBU Advisor Views New Prime Minister Lazarenko

WS3005072396 Kiev INTELNEWS in English 0349 GMT 30 May 96

[FBIS Transcribed Text] Kiev, May 29 — "New Prime Minister Pavlo Lazarenko is a pragmatic and tough economic manager," Viktor Lysytskyy, an advisor to National Bank of Ukraine Chairman Viktor Yushchenko, told INTELNEWS Wednesday. "But I don't consider that his appointment will result in large and perceivable changes in the executive power."

Taking into consideration the fact that namely the tough and no-compromise financial policy of the NBU of the past six months was among the reasons for Yevhen Marchuk's firing, Lysytskyy expressed doubt regarding Marchuk's ability to lead the government. "Throughout recent months it has become obvious that Marchuk didn't understand the essence of the economic processes which were taking place," Lysytskyy said.

However, to blame Marchuk for the hard-line monetary policy which caused payment crisis and wage-payment defaults is groundless. "The pace of this year's credit emissions by the NBU don't exceed the last year's rates," Lysytskyy said.

Concurrently, Lysytskyy noted that Marchuk's government spent funds not for top priority measures against crisis but for minor projects, and that can be proved by documents, according to Lysytskyy.

"Marchuk has left key issues without attention, such as the state budget, non-payment and privatization," he said. "These are the major reasons for which he has been fired."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ukraine: Kuchma May 'Unilaterally' Call Constitutional Referendum

WS3005073396 Kiev INTELNEWS in English 0349 GMT 30 May 96

[By Halya Pavlyva, INTELNEWS Staff Writer]

[FBIS Transcribed Text] Kiev, May 29 — If leftists in Ukraine's Parliament continue to boycott debate on the new constitution, President Leonid Kuchma will unilaterally declare a national referendum to settle the issue, according to a senior administration official.

National Security Council Chairman Volodymyr Horbulin, reacting to Tuesday and Wednesday's leftist boycott of constitutional debate, said Wednesday that if Ukrainian Parliament continues to block the first reading of the constitution on Tuesday, the "president will be forced to go some other ways to adopt the constitution."

Following the boycott, Parliament postponed discussion of the draft constitution until next Tuesday.

"It is impossible to make a laughing stock of the Parliament," Horbulin said.

Horbulin said he would welcome Parliament Speaker Oleksandr Moroz dismissal as a "helpful thing for the 250 to 260 deputies, which constitute a majority not only in their support of the constitution, but also for the president's course."

The Constitutional Agreement will be valid not just through June 8, "as far as the leftists are trying to treat the agreement," but up until the moment, when the new Constitution will be adopted, he said.

"Why dissolve Parliament if a majority, which does support President, is already formed?" Horbulin said.

President Leonid Kuchma has gone on the record several times as saying that the constitution would not be put to a referendum before it is given "first reading" approval by Parliament at the first reading. According to Horbulin, both Communist faction leader Petro Symonenko and Socialist faction leader Ivan Chyzh promised President to register for Wednesday's session, but never did.

Representatives of the Socialist, Communist and Peasant Party factions in Parliament have worked out their own draft constitution, providing for reduced presidential powers, and insist upon its consideration along with the "official" draft.

Ukraine: Parliament Speaker Comments on Resignation Call

LD2905130896 Kiev UNIAN in Ukrainian 1015 GMT 29 May 96

[FBIS Translated Text] Kiev — "I am not trying to hold on to the post of Supreme Council chairman, but as long as I hold it, I will abide by the rules of procedure," Ukrainian Parliament Speaker Oleksandr Moroz told deputies on 29 May, commenting on the previous day's appeal for his resignation by 170 MP's.

Moroz said that once this appeal was made public at a parliament session, the question of his resignation could be put on the agenda, provided there was a quorum. The issue may then be debated within two weeks, while the proceedings are chaired by a deputy speaker. A chairman may be appointed for the debate itself, who may not be one of the deputies who signed the resignation appeal. A vote on the speaker's resignation is taken by secret ballot.

Recalling the previous day's events, he warned that "any attempt to question the speaker's position once the session is closed may incur criminal liability."

There was no attempt to raise the question of Moroz's resignation today.

Ukraine: Speaker Adjourns Parliament Until 4 Jun

LD2905125396 Kiev UNIAN in Ukrainian 1015 GMT 29 May 96

[FBIS Translated Text] Kiev — Ukrainian Supreme Council Chairman Oleksandr Moroz made another attempt to open proceedings at 1300 [1000 gmt] but only 260 deputies registered for the session. [Parliament needs a quorum of two-thirds of its members]. The speaker announced a break in proceedings until 4 June.

The parliament presidium is meeting at 1330 to discuss the further procedure for the approval of the Ukrainian Draft Constitution.

Ukraine: Lazarenko Seeks Tougher Control of Budgetary Funds

LD3005085996 Kiev UNIAR in Ukrainian 0745 GMT 30 May 96

[FBIS Translated Text] Kiev [no date as received] — We must establish strict order as regards the use of budgetary funds and cut off all the channels through which these funds are used for purposes other than those for which they were allocated. This was the keynote of the speech Prime Minister Pavlo Lazarenko delivered at a conference held at the Cabinet of Ministers on 29

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

May. The conference considered the implementation of the Ukrainian president's decree on measures to ensure timely payment of wages, pensions, and other social payments.

The conference analyzed the reports by deputy prime ministers who headed the working groups set up under the president's decree to check how the regions were paying taxes and using budgetary funds, primarily the funds allocated for the payment of wages and other social payments.

It was pointed out that imperfection of the current legislation allows both local authorities and leaders of state enterprises to manipulate budgetary funds, using them for purposes other than the payment of wages. Lazarenko paid special attention to the need to significantly step up the work of the state tax inspectorate, control services of the Ministry of Finance and other departments in order to ensure timely payments to the budgets, especially large enterprises.

Ukraine: 'Green World' Protests Kuchma Plans for New Nuclear Plant

AU3005084096 Lvov ZA VILNU UKRAYINU in Ukrainian 25 May 96 p 1

[Unattributed report: "Is Yet Another Nuclear Plant Necessary?"]

[FBIS Translated Text] The Nikolayev "Green Peace" Association sent an appeal to the Ukrainian president regarding his plans to go ahead with the Tazhlytska Atomic Electric Power Plant project. The appeal points out, in particular, that according to expert analyses, the project is harmful both from the point of view of the environment and the economy. In addition, the document stresses, archaeological monuments over 240 [figure as published] centuries of our history will be destroyed despite their great significance for the world.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Belarus

Belarus: Syanko Allays Fear Over Integration With Russia

WS3005100096 Minsk Radio Minsk Network in Belarusian 0900 GMT 30 May 96

[FBIS Translated Text] Belarus' aspiration to integrate with Russia, which can be explained by the historic ties between both countries, should not provoke anxiety on the part of Belarus' neighbors and, what is more, attempts to interfere. This statement was made by Belarusian Foreign Minister Uladzimir Syanko during his meeting with Latvian Saeima Speaker Ilga Kreituse in Riga, where he is staying on a two-day visit. This was reported to INTERFAX by the Latvian Saeima Press Service. The position of Belarus, which in many respects coincides with the position of Russia, is in no way an automatic repetition of the Russian Federation's view, Syanko emphasized.

Belarus: Military Official on Foreign Relations

WS2805143096 Minsk VO SLAVU RODINY in Russian 24 May 96 p 1

[Interview with Colonel Dzmitryy Shyla, chief of Belarusian Defense Ministry Directorate of Foreign Relations, by Alyaksey Bezvyaselny; place and date not given: "Realities and Prospects of Military Cooperation"]

[FBIS Translated Text] According to principles stipulated in the Belarusian Constitution, Belarus is striving for the nuclear-free and neutral status of our state. Given this circumstance, the leadership of our country stays the course directed at establishing good-neighborly relations with all states (the multi-directional nature of international cooperation). Colonel Dzmitryy Shyla, chief of Belarusian Defense Ministry Directorate of Foreign Relations is talking with our correspondent about the development of our military cooperation with foreign countries.

[Shyla] The priority direction is the development and expansion of cooperation with CIS countries as part of the Collective Security Treaty. As part of the Commonwealth [of Independent States], Belarus recently signed or joined six documents:

First, it is the Statute of Commonwealth of Independent States (Chapter III — collective security and military and political cooperation). Our Republic participates in the activities conducted by all CIS statute bodies.

Second, the development plan for CIS integration (Chapter II — cooperation in the military sphere). Our country's participation in implementation of military technological programs is abound in our own initiatives.

Third, it is the Collective Security Treaty. As part of this treaty, the Collective Security Committee (SKB) has been set up, along with its working bodies — the SKB Secretariat and the Headquarters for Coordinating Military Cooperation (ShKVS).

The fourth document is the concept of collective security. As part of its implementation, a committee of staff chiefs is being set up for concerted planning of a collective defense.

The fifth document is the Agreement on Creating a Joint Air Defense System.

The last document is the Agreement on the Common Customs Zone.

[Bezvyaselny] What are the priorities of our international military cooperation?

[Shyla] The prospects for CIS military cooperation mean its development and deepening on a multilateral and bilateral basis. As part of the Collective Security Treaty, our Defense Ministry will have to:

— carry out a set of measures aimed at fulfilling the program of implementing the collective security concept of the member states;
— devise and approve a concept of collective peacekeeping activities to be conducted by CIS states and a plan for its implementation;
— determine conditions of deepening the military-technical cooperation;
— work out a concerted approach by CIS countries to the problems of nonproliferation of nuclear weapons, rockets, and rocket technologies, as well as cooperation in the spheres of export control and the reduction of conventional arms.

Of CIS countries, Belarus has the most active military cooperation with the Russian Federation and Ukraine. We signed more than 20 military cooperation agreements with Russia that cover practically all facets of life and activities of the Russian and Belarusian Armed Forces, and seven similar agreements with Ukraine. A huge impetus to continued development and expansion of military cooperation between Belarus and the Russian Federation was given by the Community Treaty signed on 2 April 1996.

As part of the created Community, we will have to determine and specify the spheres of military cooperation and fill them with concrete contents. Already, the concluded treaty is working for the benefit of expansion and diversification of military cooperation, enhancing the implementation of the signed agreements.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Belarus

Belarus: Syanko Allays Fear Over Integration With Russia

WS3005100096 Minsk Radio Minsk Network in Belarusian 0900 GMT 30 May 96

[FBIS Translated Text] Belarus' aspiration to integrate with Russia, which can be explained by the historic ties between both countries, should not provoke anxiety on the part of Belarus' neighbors and, what is more, attempts to interfere. This statement was made by Belarusian Foreign Minister Uladzimir Syanko during his meeting with Latvian Saeima Speaker Ilga Kreituse in Riga, where he is staying on a two-day visit. This was reported to INTERFAX by the Latvian Saeima Press Service. The position of Belarus, which in many respects coincides with the position of Russia, is in no way an automatic repetition of the Russian Federation's view, Syanko emphasized.

Belarus: Military Official on Foreign Relations

WS2805143096 Minsk VO SLAVU RODINY in Russian 24 May 96 p 1

[Interview with Colonel Dzmitryy Shyla, chief of Belarusian Defense Ministry Directorate of Foreign Relations, by Alyaksey Bezvyaselny; place and date not given: "Realities and Prospects of Military Cooperation"]

[FBIS Translated Text] According to principles stipulated in the Belarusian Constitution, Belarus is striving for the nuclear-free and neutral status of our state. Given this circumstance, the leadership of our country stays the course directed at establishing good-neighborly relations with all states (the multi-directional nature of international cooperation). Colonel Dzmitryy Shyla, chief of Belarusian Defense Ministry Directorate of Foreign Relations is talking with our correspondent about the development of our military cooperation with foreign countries.

[Shyla] The priority direction is the development and expansion of cooperation with CIS countries as part of the Collective Security Treaty. As part of the Commonwealth [of Independent States], Belarus recently signed or joined six documents:

First, it is the Statute of Commonwealth of Independent States (Chapter III — collective security and military and political cooperation). Our Republic participates in the activities conducted by all CIS statute bodies.

Second, the development plan for CIS integration (Chapter II — cooperation in the military sphere). Our country's participation in implementation of military technological programs is abound in our own initiatives.

Third, it is the Collective Security Treaty. As part of this treaty, the Collective Security Committee (SKB) has been set up, along with its working bodies — the SKB Secretariat and the Headquarters for Coordinating Military Cooperation (ShKVS).

The fourth document is the concept of collective security. As part of its implementation, a committee of staff chiefs is being set up for concerted planning of a collective defense.

The fifth document is the Agreement on Creating a Joint Air Defense System.

The last document is the Agreement on the Common Customs Zone.

[Bezvyaselny] What are the priorities of our international military cooperation?

[Shyla] The prospects for CIS military cooperation mean its development and deepening on a multilateral and bilateral basis. As part of the Collective Security Treaty, our Defense Ministry will have to:

— carry out a set of measures aimed at fulfilling the program of implementing the collective security concept of the member states;
— devise and approve a concept of collective peacekeeping activities to be conducted by CIS states and a plan for its implementation;
— determine conditions of deepening the military-technical cooperation;
— work out a concerted approach by CIS countries to the problems of nonproliferation of nuclear weapons, rockets, and rocket technologies, as well as cooperation in the spheres of export control and the reduction of conventional arms.

Of CIS countries, Belarus has the most active military cooperation with the Russian Federation and Ukraine. We signed more than 20 military cooperation agreements with Russia that cover practically all facets of life and activities of the Russian and Belarusian Armed Forces, and seven similar agreements with Ukraine. A huge impetus to continued development and expansion of military cooperation between Belarus and the Russian Federation was given by the Community Treaty signed on 2 April 1996.

As part of the created Community, we will have to determine and specify the spheres of military cooperation and fill them with concrete contents. Already, the concluded treaty is working for the benefit of expansion and diversification of military cooperation, enhancing the implementation of the signed agreements.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

for introduction of locals' language in all Gagauz Yeri schools.

Presidential Adviser Petru Dascal stated at the already traditional briefing on Wednesday at the presidency that in Ankara Snegur mentioned that although favorable conditions were created to study Gagauzian, most classes in Gagauz Yeri schools are still held in Russian.

Turkish authorities pledged their support in the form of scholarships for Gagauz students and handbooks.

Asked about the talks about the Turkish $35 million credit, Dascal said the protraction was caused by the lack of concrete projects to use the credit.

Chisinau's and Comrat's positions about the deployment of the promised credit are much closer now, he said.

Dascal also said reimbursement terms and other conditions are still being negotiated.

The presidential adviser said Turkey undertook to develop a project for water supply in southern Moldova and the loan solicited for a seven-year reimbursement term will be deployed for its implementation.

Moldova: Snegur-Lucinschi-Sanghеli Consultations Confirmed

AU3005103796 Chisinau INFOTAG in English 1930 GMT 29 May 96

[FBIS Transcribed Text] Chisinau, May 29 (INFOTAG) — Presidential Press Secretary Vasile Grozavu confirmed at today's briefing a meeting which was held a few days before between the Moldovan president, Parliament chairman, and prime minister. He said the details were unknown to him, but the three leaders had decided to have such meetings regularly.

Grozavu made this statement after LIBERTATEA, the newspaper of the Liberal Party, reported the meeting in its today's issue. The paper writes that "after the Parliament has declined Snegur's proposals to reshuffle the Government, the top power echelons seem to be staying in a truce."

"Snegur, Lucinschi and Sangheli keep on consulting about the situation in the country in general, and in the Government in particular. The three leaders had a meeting a few days ago, but none of their press services gave any information on the event," LIBERTATEA writes.

According to the newspaper, at that meeting Snegur announced the names of 4 ministers whom he seeks to dismiss. The paper does not know anything about "what luggage Lucinschi and Sangheli brought to the meeting," but maintains that these two officials are not inclined to make any changes in the government.

LIBERTATEA writes, with reference to "some" sources known only to it, that "the military topic discussion took an unexpected turn," but the author has no idea what this may mean, because "one of the Trinity is unpredictable, another is cunning, and the third one is too reticent..."

Moldova: Sangheli, Dniester's Smirnov Discuss Economic Issues

AU3005095396 Chisinau BASAPRESS in English 1930 GMT 29 May 96

[FBIS Transcribed Text] Chisinau 29/05/1996 (BASA-press) — Premier Andrei Sangheli yesterday met with Dniester leader Igor Smirnov as part of actions aiming to solve the Dniester problem.

A governmental press release reported that the two tackled issues of financial and economic ties between Chisinau and Tiraspol and the possibility to reanimate production capacities at the Cuciurgan and Dubasari power plants.

The parties underscored the [illegible] to speed up electrification of Razdelny-Tiraspol-[illegible]au-Ungheni rail segment, including by attraction of foreign investments.

Other debated issues were: relations between Moldovan and Dniester post and commerce and industry chambers as well as cooperation between Dniester firm "Teratext" and enterprises on the Dniester's right bank.

Sangheli and Smirnov also discussed the reimbursement of the credit Russia granted Dniester for 1993-1994.

Moldova: Police Deny Knowledge of Trainees in Terrorist Camps

AU3005100696 Chisinau BASAPRESS in English 1930 GMT 29 May 96

[FBIS Transcribed Text] Chisinau 29/05/1996 (BASA-press) — The Moscow ARGUMENTY I FAKTY (ARGUMENTS AND FACTS) wrote that about 15 Moldovan citizens were trained in the Afghan "Alfa-Ruk" terrorist school for combat in Chechnya on rebels' side, and the concerned Moldovan ministries deny the information.

According to the publication, this is the best Afghan school of terrorism.

"It is 50 km off the town of Behramshan and people of Shamil Basayev, the Chechen leader, are trained there," said the newspaper.

Tudor Sabii, head of the Criminal Police Division of the Moldovan Interior Ministry, told BASA-press that the Ministry had received no information on Moldovan terrorists or assassins from Russian authorities.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Colonel Sabii said they "might be Moldovans," but no way Moldovan citizens.

He said "most contract murders in Moldova were committed by foreigners and not Moldovans trained abroad."

Valeriu Daraban, Moldovan Security Ministry spokesman, told BASA-press he had no information at hand about Moldovans' training in the terrorist school.

Moldova: Leftist Groupings Apply Pressure to National Bank

AU3005113096 Chisinau BASAPRESS in English 1930 GMT 29 May 96

["Political Commentary: 'Political-Electoral Incursions Upon Banking Sector'"]

[FBIS Transcribed Text] Chisinau 27/05/1996 (BASA-press) — The latest developments provide more evidence that attempts are made to involve the financial-banking system into political fight. Obscure interests still drive certain Moldovan and, perhaps, foreign political forces to undertake measures that compromise the management of the Moldovan National Bank (NB). The sudden outburst of criticism by some news organs in Chisinau, meant to rock the financial-banking boat, is assumed to be one of the weapons used in electoral fights. Anyway, it is hard to spot another explanation and a simple analysis of all articles in media shows similarities in the arguments brought and thus reveals their common origin. The problem of money or political realities determined by it cannot leave disinterested the political-economic groups concerned about the results of these elections. Of course, the problem is not viewed (any longer) only as a primitive electoral manipulation of cash. Though, after all, it will not be avoided either. Even if political subjects would pledge allegiance to the legal requirements set on the financial side of the presidential elections. According to many observers, the anxiety about the alleged "irregularities" in the NB monetary-bankin take the shape of electoral campaign suggest at least two goals set by their authors.

First: To create a situation that will make the NB more vulnerable to political groups. So that, at the right moment, certain techniques of electoral struggle would be used at maximum efficiency. Second: To compromise the close cooperation with the World Bank (WB) and International Monetary Fund (IMF) so much that there would appear the pre-requisites for political reorientation to another protective financial "umbrella." This umbrella might be, for instance, the Russian financial machinery.

To simplify things as much as possible, the "banking" subject had the following scenario:

In his message addressed to Parliament President Snegur said the progress the cabinet attributed to itself — market full of products, healthy currency, inflation containment, privatization — had been made nearly against the policy of the Sangheli cabinet, through the central efforts of the WB, IMF and NB. In his turn, Premier Sangheli expressed his "bewilderment" over president's ascribing the achievements "exclusively" to these bodies. On May 21, a governmental newspaper wrote about a "split" within the NB Board of Directors caused by political disputes. It said the NB, torn from inside by different political convictions, might "play" against the cabinet by refusing to cooperate in payment of pension debts and "other social problems." It also criticized the "odious Law on Banks" which would be disruptive as it was drawn up by international financial institutions.

Another publication went on to say the IMF and WB act in a sort of "conspiracy" with President Snegur, harm the "political interests of the nation" by their "dictatorship" in the financial-banking sector. Furthermore, it maintained that some credits granted "by protectionism" to a certain bank entered the electoral pocket of certain forces, and that the deputies, in general, were so skillfully led into mistake that "unconsciously" voted for the Law on Banks and approved the "dangerous" conditions of cooperation with the big foreign financial structures.

The paradox is that the draft law on banks was approved by the cabinet too, and the memorandums with the international financial institutions were signed by the premier and NB governor.

Evidently, the NB representatives denied and criticized everything they were charged with. They termed the articles as political trap to which the NB is pushed. It seems the NB is the only state body that knew to avoid this trap, thus obtaining unchallenged success.

On the other hand, some analysts think only time will show what it was (and will it repeat?) all about with these "incursions" upon the world of finance. Was it to spread confusion to change the financial-banking policy or was it to make the NB more cautious?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kazakhstan

Kazakhstan: President Praises Yeltsin's Talks With Yandarbiyev

LD2905115896 Moscow ITAR-TASS in English 1130 GMT 29 May 96

[By Stanislav Bychkvo]

[FBIS Transcribed Text] Singapore, May 29 (Itar-Tass) — Kazakh President Nursultan Nazarbayev believes that the Yeltsin-Yandarbiyev talks in Moscow and the Russian president's trip to Groznyy could be regarded as a "common victory" of the Commonwealth of Independent States (CIS).

"I believe this is a great accomplishment. No matter when it happens and who does it, the achievement of peace in Chechnya after these negotiations will signify a common victory of all the CIS countries," the Kazakh leader, who is currently paying an official visit to Singapore, told Itar-Tass here.

Nazarbayev said that he learned about the "upcoming steps" during his eye-to-eye talk with the Russian president in Moscow last May, and also from his meeting with Yandarbiyev's representative in Almaty last week. The Kazakh president recalled of his earlier expressed "readiness to mediate in the peace-making process".

Nazarbayev noted that the latest achievements should tell on the electoral moods of the Russian voters. "It is common knowledge that everybody in Russia is disturbed by the Chechen war. Many innocent people have lost their lives and Russian soldiers are being killed there. Many mothers and families are mourning for them. Therefore, one of the main demands of the electorate and of Yeltsin's political rivals was to end the war." If the Russian president "manages to achieve peace, it will be his great achievement".

Kazakhstan: Treaty Ratified on Political Status of Russians, Kazakhs

LD2405152996 Moscow ITAR-TASS in English 1242 GMT 24 May 96

[FBIS Transcribed Text] MOSCOW, May 24 (Itar-Tass) — The Russian-Kazakh treaty on the legal status of Russian citizens permanently residing on the territory of Kazakhstan and of Kazakh citizens permanently residing on the territory of Russia was ratified by the State Duma here today.

The treaty lays down that the citizens of one of the two sides (i.e. Russia or Kazakhstan), who permanently reside on the territory of the other contracting side, enjoy the same rights and freedoms, and fulfil the same duties, as the citizens of the country where they live.

The citizens of one of the sides, who permanently reside on the territory of the other, cannot be elected to top official posts and to representative bodies of the country where they live. However, they have the right to hold leading jobs in the subdivisions of regional and local administrations, and also in the sectors of different departments and other organisations of the local executive system.

The citizens, covered by the treaty, enjoy the guaranteed right to own, use, and dispose of their property, and also the right to take part in the privatisation of property belonging to the State where they live. The treaty also regulates problems linked with the legal capacity and competence of the citizens of one side, who permanently reside on the territory of the other, as well as problems of child adoption, guardianship and compensation of damages.

Kazakhstan: FM Meets Singapore's PM on ASEAN, Economic Region

LD3005091896 Moscow ITAR-TASS World Service in Russian 0308 GMT 30 May 96

[ITAR-TASS correspondent Stanislav Bychkov]

[FBIS Translated Text] Singapore, 30 May — Kazakh President Nursultan Nazarbayev has stated the republic's interest in joining the Asia-Pacific economic and political region.

Kazak Foreign Minister Kasymzhomart Tokayev, who was taking part in the talks with Singapore's prime minister, Goh Chok Tong, told the ITAR-TASS correspondent today that the head of state "had spoken out in favor of Kazakhstan joining the Asian arena, the ASEAN [Association of Southeast Asian Nations] international initiatives, the "Asia-Europe" summit meetings. The head of Singapore's Government looked positively upon Kazakhstan's efforts and noted that "the chances for this to happen will increase as cooperation between the republic and the region develops."

Kazakhstan: Transport of Kazakh Oil to Iran To Start 1 Jul

LD2805153396 Moscow INTERFAX in English 1107 GMT 28 May 96

[FBIS Transcribed Text] ALMATY, May 29 (PIA-Interfax) — The first barge with Kazakh oil will leave the Caspian port of Aktau for Iran on July 1, a source in the Kazakh Oil and Gas Industry Ministry has told the Interfax Petroleum Information Agency.

The shipment of the first 7,000 tonnes of crude oil to Iran will be carried out in line with the agreement signed in Tehran on May 11 by Iranian President 'Ali Akbar

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Hashemi-Rafsanjani and Kazakh President Nursultan Nazarbayev, he said.

Under the agreement, Iran will import around 167,000 tonnes of oil from Kazakhstan every month via the Caspian Sea to an oil refinery in northern Iran or to the Tehran refinery with an ensuing transfer to Kazakhstan of oil from the Persian Gulf which is equivalent in cost. It is expected that the export amount from Kazakhstan to Iran via such a swap will grow up to 500,000 tonnes of monthly oil shipments in ten years.

The first oil to Iran will go from deposits in Buzachi and Uzen situated in the west of the republic, a source in the Kazakh government has told the PIA. At the same time, said the source, export amounts from Kazakhstan's leading deposit, Tenghiz, developed by the joint U.S.-Kazakh enterprise TenghizChevroil, will join the project.

Some experts believe that the deal between Almaty and Tehran will hardly affect Kazakhstan's main partner in oil business, the U.S. firm Chevron, which so far owns 50 percent of shares of TengizChevroil. Chevron is negotiating with the Russian Lukoil on yielding part of its stake in the project. Experts believe that considering the U.S. embargo on cooperation of its companies with Iran, another partner of Almaty, the U.S. Mobil Oil, which controls 25 percent of the joint-venture's capital, will also refuse to transport its oil share in Tenghiz via Iran.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Azerbaijan

Azerbaijan: Aliyev Meets U.S. Commission on POW's, Missing Persons

NC3005110996 Baku TURAN in English 1807 GMT 29 May 96

[FBIS Transcribed Text] Baku/29.05.96/TURAN— Today the president Geydar Aliyev received governmental delegation of experts of the governmental Commission of the U.S. for search of prisoners of war and missing headed by Malcolm Toon.

The head of the delegation told the president that the main purpose of their visit was search of American missing during the Second [World] War, wars in Korea and Vietnam.

Malcolm Toon asked Geydar Aliyev to allow him to address on the Azeri TV and to explain the purposes of the mission. The members of the delegation told that only 10 of 300 American missing have been found, the rest 290 are still wanted.

The President Geydar Aliyev, in turn, said that he instructed the Minister of National Security Namik Abbasov to present the members of the delegation all information about American prisoners of war which is available in archives of Azerbaijan.

Geydar Aliyev asked the American delegation to help in search of six Azeris missing in Afghanistan. He added that the main question for us is to find out thousands of Azerbaijanis missing during the Armenian aggression. According to information we have their number is about four thousand," Aliyev said. [no begin quotation marks as received]

The President noted that he passed to the Foreign Minister of Russia Yevgeniy Primakov a list of 850 Azeri prisoners of war and hostages with noting of addresses and places where they are kept in Armenia and Nagorno-Karabakh. Their names are not noted in the lists of the International Red Cross.

Geydar Aliyev expressed a hope that the delegation of the U.S., as well as the Foreign Ministry of Russia will take measures for search and liberation of these people.

Azerbaijan: 'Great Significance' of Planned President's Meeting Viewed

NC2905191796 Baku TURAN in English 1822 GMT 29 May 96

[FBIS Transcribed Text] Baku /29.05.96/ TURAN — The meeting of the presidents of Russia, Azerbaijan, Georgia and Armenia to be held in Kislovodsk on June 3 will be of great significance, TURAN was told by the Speaker of the Milli Mejlis Rasul Guliyev. "However, one should not consider that immediately after such meeting the conflict will be resolved," he noted. According to him, possible result of such meeting can be a peacekeeping declaration.

"This meeting should show the Russians that Boris Yeltsin uses the support of the presidents of Transcaucasus," Rasul Guliyev said.

The speaker noted that the draft declaration, to be adopted by the participants of the meeting in Kislovodsk "mainly takes into account the interests of Azerbaijan."

"The main point is that the document provides for recognition of the territorial integrity of Azerbaijan," Guliyev said.

Draft document was brought to Baku by Russia's Vice Premier

Azerbaijan: Religious Figure Says No Growth in 'Fundamentalism'

NC2805131596 Baku TURAN in English 1300 GMT 28 May 96

[FBIS Transcribed Text] Baku/28.05.96/TURAN— Today Shiites of Azerbaijan observe mourning ceremony "Ashura". The mourning is observed within the framework of Maharram month, the tenth day of which is "Ashura" or the day of execution of Imam Husayn — grandson of Prophet Muhammad.

Since early morning people are moving towards Baku's mosques where believers pray and make the ceremony of sacrifice. Religious fanatics make the rite shakhsei-vakhsei, which is accompanied with self-beating by iron chains.

Yesterday the administration of Azerbaijan's Muslim Department has appealed to the people to restrain from self-torture rite. However, today in the yards of mosques groups consisting of 10-15 young men are beating themselves with chains on their backs shouting "Allahu Akbar!" in religious ecstasy.

The delegation of Embassy of Islam Republic of Iran in Baku headed by Ambassador 'Ali Reza Bikdeli visited the mourning ceremony in central Baku's mosque Taza Pir.

In his interview to TURAN's correspondent the head of Spiritual Department of Muslim, Sheikh Allahshukur Pashazade, said today's ceremony shows that there is freedom of conscience in Azerbaijan. He refutes fears that there is growth of Islamic fundamentalism in Azerbaijan. "Our state is temporal, but we do not forget our cultural and religious roots. Some religious customs have just entered into the conscience of our nation", he mentioned.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Baku's authorities have taken additional security measures due to the mourning ceremony. The policemen have encircled all entries to Baku's mosques. After 11.00 a.m. groups of 20-30 young men with black and green flags went to the streets of the city. Shouting "Allahu Akbar!" they came to the Alley of Shekhids [martyrs] where victims of the Karabakh war are buried. Here the fanatics in black shirts and green fillets on their heads also make the rite of self-torture "Shakhsei-vakhsei".

The mourning ceremony will continue until the sunset. President Aliyev is also expected to visit central mosque Taza Pir.

It should be noted that this year "Ashura" has coincided with one of the most important Azerbaijan's holidays — Day of Republic. However, for many people this holiday appeared to be on the background.

Azerbaijan: Guliyev Comments on Financing of Oil Pipelines

NC3005112196 Baku TURAN in English 1608 GMT 29 May 96

[FBIS Transcribed Text] Baku/29.05.96/TURAN— Project on financing of works for reconstruction of the pipeline Baku-Supsa for carrying out of the "early oil", offered by the Turkey, is not very profitable from the commercial point of view and therefore it was declined, TURAN was told by the Chairman of the Milli Mejlis Rasul Guliyev. According to him, such decision was adopted by AIOC [Azerbaijan International Operating Company] which considers that the credits for reconstruction of the oil pipeline can be received on more profitable terms than the terms offered by Turkey. Rasul Guliyev refused to specify the terms, however he added that some European banks had offered credits under this project on very profitable terms. Head of the press-service of AIOC Eynar Berg, in turn, confirmed in his talk with TURAN, that some international banks are ready to grant credits for reconstruction of the oil pipeline. "There are no problems with receiving of these credits," Mr. Berg said.

Speaking about the route of strategic oil pipeline Rasul Guliyev noted that "the route Baku-Ceyhan" was always on the agenda.

"Refusal from the Turkish credit for reconstruction of the 'early oil' pipeline does not mean that we will not transport 'big' oil via Turkey," he said.

Responding the question if the main oil can be transported via the territory of Russia Guliyev said: "Presently Russia is not capable for transportation of such quantity of oil through its territory."

Answering the question if Azerbaijan can be exposed to political or any other pressure in case if Baku refuses to transport its oil via territory of Russia, Guliyev said: "Azerbaijan was exposed to all possible kinds of pressure. They have nothing more to make pressure on us. We have stood all of them so there is no sense to make a pressure on Azerbaijan again."

Georgia

Georgia: Russian Command Says Tbilisi Ignoring Obligations on Fuel

LD2905140996 Tbilisi IBERIA in Georgian 1020 GMT 29 May 96

[FBIS Translated Text] Tbilisi, 29 May — The command of the Russian Border Troops stationed in Georgia has issued a statement categorically denying claims by the Georgian Foreign Ministry that Russian border troops deliberately allowed a Turkish ship which had not paid Georgian taxes to enter the port of Poti.

The statement says Georgia had failed to meet its obligations regarding the Russian Federation Border Troops. In particular, it does not supply them with fuel, as provided for under a bilateral agreement. This resulted in the Russian border troops' failure to carry out their duties on that day.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.